

## **The week ahead: Ozone in our air**

Bakersfield Californian, Monday, July 23, 2007

Kern County Board of Supervisors hosts a meeting with presentation by the San Joaquin Valley Air Pollution Control District and its ozone reduction plan. 7 p.m., board chambers, 1115 Truxtun Ave.

## **Planners back mine expansion on Kings River**

By Marc Benjamin / The Fresno Bee

Thursday, July 20, 2007

A gravel mine along the Kings River would triple in size under a controversial plan that won a green light Thursday from the Fresno County Planning Commission -- a decision nearby residents vowed to appeal.

Following a three-hour hearing, commissioners voted 7-1 to certify Vulcan Materials' environmental impact report for its expansion plan. The certification would allow the company to expand its mine to 660 acres from 220 and to operate it for 50 years.

People who live nearby had urged the commission to reject the plan, the first of four gravel-mining projects proposed along the Kings River. The cumulative effects of all four projects on traffic, water usage and farmland should be considered together, they said.

"We come here not because we are paid, not because we have a [county] position, but because this is our home," said Marla Swanson of Sanger, one of about two dozen opponents who attended the meeting.

The expanded mine would use large amounts of water that should be used for farming and by Fresno County residents, said David Cehrs, a Sanger-area resident and hydrologist. And, he said, as more gravel plants start up or expand, it will fuel more growth and additional use of the region's diminishing water supplies.

The environmental impact report noted increased traffic, heavy water use and loss of farmland as significant issues.

But Vulcan Materials said the project would reduce air pollution by replacing a diesel-fueled mining process with a new electric process.

Mining officials also have said that the expansion would tap an important source for sand and gravel as mines on the San Joaquin River near depletion.

Sand and gravel are used for roads and sidewalks as Fresno County grows. But the county is running low on those materials, Bob Sears, Vulcan's Western division head, told planning commissioners.

Having gravel mines close to large cities, such as Fresno, reduces costs for local governments that build roads, as well as for developers, supporters said.

If gravel mining were shut down along the Kings River, the next closest area to extract would be in Coalinga, Sears said. That's about 70 miles from Fresno.

Transporting gravel from that far away would cause more pollution and would cost more, putting local contractors at a competitive disadvantage, Sears told commissioners.

Planning commissioners Chris Acree and Karri Hammerstrom voiced reservations about the expansion, but only Acree voted against the environmental document, saying more study and planning were needed.

Opponents said they will appeal the commission's decision to the Fresno County Board of Supervisors.

The deadline to appeal is Aug. 3.

## **Farmers blast feds' spending**

By Diana Marrero, Gannett News Service  
Visalia Times-Delta, Monday, July 23, 2007

WASHINGTON - Mike Bouris watched with a mixture of melancholy and relief as workers hauled the last pieces of farm equipment off his family farm.

A longtime wheat farmer in southwestern Riverside County, Bouris is giving up on the land that has sustained his family for generations.

He is also quitting the annual chase for federal subsidies and the hassle that comes with trying to keep a farm running.

"It finally got to the point where it wasn't worth it," he said.

But the battle over federal dollars is just beginning for members of Congress who are trying to decide how to carve up a \$280 billion farm bill that will set the nation's agriculture policy for the next five years. One of the key points of contention: the billions of tax dollars spent on annual farm subsidies.

In California, farmers have received more than \$5.9 billion in farm subsidies in the past decade. The state ranks 10th in the nation for federal farm dollars.

Texas farmers got \$14.9 billion, the largest share of federal farm subsidies.

The disparity between the states is a result of a farm subsidy program that benefits only farmers of commodity crops such as wheat, corn, rice, cotton and soybeans. More than 90 percent of the subsidies goes to producers of those five crops alone.

Fruits and vegetables make up about half of California's \$32 billion agriculture industry.

Agriculture production in Texas is largely dominated by grain.

"This is ludicrous," said Tom Nassif, president of the Western Growers Association, which represents farmers in California and Arizona. "It's about time the public raised a cry. We're absolutely fed up with this misuse of federal funds."

Nassif and others are urging lawmakers to revise agriculture policy to benefit sectors that historically have not benefited much from national farm programs.

Instead of farm subsidies, fruit and vegetable growers want money for research into invasive pests and other areas and help with expanding foreign markets for their products.

"It's a pie and it gets cut up in certain ways," Joe Pezzini, vice president of Ocean Mist Farms, which grows artichokes and other vegetables in the Coachella Valley and elsewhere in California, said about the farm bill. "We're all looking for a piece of that pie."

### **Many groups involved**

Produce growers are not the only ones asking for federal funding. Lawmakers must also balance the interest of environmentalists, ranchers, dairy farmers, anti-hunger advocates and rural energy producers.

"This is arm wrestling," said Rep. Sam Farr, D-Carmel, whose district is known as the lettuce capital of the world. "This is a huge battle."

Farmers who historically have received direct subsidies have the most to lose. Created during the Great Depression, farm subsidies were meant to keep crop prices from falling by paying farmers not to grow certain staples like wheat and corn.

These days, federal incentives to spur the use of ethanol has kept prices strong for corn and other grains.

Critics say the timing is right for reforms.

"It's pretty hard to ask taxpayers to make payments to farmers who are already making huge amounts of money in the market place," said Ken Cook, president of the Environmental Working Group, a watchdog organization.

### **Local leaders speak**

Rep. Devin Nunes, R-Visalia, said he wants to make sure the farm bill includes funding for programs that will help producers reach new international markets.

He thinks lawmakers can do that without cutting farm subsidies and would not support that move until countries in the European Union eliminate their own subsidies.

"We're competing in a world market place," he said. "It's almost the equivalent of an arms race."

Tricia Stever, executive director of the Tulare County Farm Bureau, said bureau officials don't want to expand funding in the farm bill for California growers at the expense of commodity crop growers.

"We have to strike that very fine line," said Stever, who also advocates for more money to help dairy farmers deal with [air quality and pollution problems](#) caused by excess cow manure.

Amid pressure from all sides, lawmakers in the House this week finalized a proposal that would bar farmers making more than \$1 million a year from collecting farm subsidies. The current limit is \$2.5 million.

The measure also includes \$1.6 billion for programs that would benefit fruit and vegetable growers.

Rep. Ron Kind, D-Wis., a vocal critic of farm subsidies, says those reforms are not strong enough. He and others argue the subsidies don't just waste taxpayer dollars but also prompt

trade challenges from other countries that say price supports make it tougher for their farmers to compete.

Farm subsidy advocates say eliminating government payments would be disastrous for local rural economies and could push American farmers out of business.

Bouris, whose family has collected about \$2.7 million from the federal government over the past decade, says the subsidies help American farmers stay competitive.

"They're a necessary evil," he said, arguing that farmers in other countries also receive price supports, can often pay lower wages and don't have to comply with as many regulations.

But Bouris dreaded the paperwork and red tape that came with trying to collect the subsidies he says helped keep his business profitable.

"Here you have the government tell you: 'You have to do this. You have to do that,' " he said. "Life was too short to do that."

Bouris is one of more than 500 farmers in Riverside County who have received government subsidies in the past decade.

Tyson/Ichida Farms Partnership, whose owners live in Rancho Mirage, Blythe and Thermal, topped the list with \$4.6 million in cotton and wheat subsidies, according to a study by the Environmental Working Group.

Dale Blount, who lives in Palm Springs, has collected nearly \$50,000 in corn and soybean subsidies since 2000 for his family farm in Illinois. Blount's cousin runs the farm.

During a recent visit, Blount said he talked to neighbors who were following the farm bill with interest.

They had little hope that reforms would make the program more effective.

"Whatever it turns out to be will likely be politics as usual," he said.

## **Farm bill deal-making far from done**

**Senate staffers likely to work on it in August to prepare for committee action.**

By Michael Doyle / Bee Washington Bureau

Sunday, July 22, 2007

WASHINGTON -- Farm bills like the one approved by a House committee last week take time, skill and a really big checkbook.

Not to mention constant vigilance.

"We tend to get cynical about whether we will ever see anything out of this," admitted San Joaquin Valley grower Tina Mizuno.

Mizuno and her husband, Robert, grow peaches, grapes and other crops near Reedley. Their orchards produce what are known, generically, as specialty crops.

These are the fruits and vegetables largely ignored in past farm bills. But in the legislation approved around midnight Thursday by the House Agriculture Committee, the specialty crops secured roughly \$1.7 billion over five years. It will pay for research, marketing and federal snack and school-lunch purchases.

Now, as the 600-plus-page bill heads for a House vote as early as next week, Tina Mizuno and others like her must keep watching even more closely. The deal-making isn't done yet. In some ways, it's just getting serious.

With House Speaker Nancy Pelosi already on board, Rep. Collin Peterson, D-Minn., and the committee he chairs wrote a farm bill durable enough to survive potential challenges on the House floor.

Tellingly, it passed the 46-member House Agriculture Committee on a unanimous voice vote.

It was cannily written. It includes, for instance, an easy-to-explain provision banning farm subsidies to cotton, rice, wheat and corn growers with gross annual incomes of greater than \$1 million. Pelosi proclaimed this millionaires' provision as a "critical first step toward reform," which is one of its selling points.

The more complicated truth, though, is that the bill also raises by tens of thousands of dollars the amount of subsidies that any one farmer can receive.

"[This] will not get to the heart of problems with commodity programs," said Rep. Ron Kind, D-Wis.

Following extensive lobbying, the committee kept in place language that will impose country-of-origin labeling requirements in 2008. The label requirements were originally included in the 2002 farm bill but have been delayed ever since.

Senate staffers will likely start working quietly over the August recess in preparation for Senate committee action in September. Then, facing an Oct. 1 deadline, the House and Senate will negotiate a final version.

Some differences will be dollars and cents. The House, for instance, proposes \$215 million for specialty crop research. The Senate might offer another number. Other differences are harder to split down the middle. The House bill, for instance, transfers agricultural inspectors back to the Agriculture Department. The Bush administration and its Senate allies want to keep the inspectors in the Department of Homeland Security.

Historically, farm bill voting also breaks along regional more than party lines.

For instance, Republican and Democratic House members from Iowa collaborated this year on behalf of the nation's largest family-owned dairy processor, Wells' Dairy. The Iowa-based company, which makes Blue Bunny ice cream, wants to lock in milk prices through forward contracts with dairy producers.

The House bill, over the vehement objections of California lawmakers and groups like the Modesto-based Western United Dairywomen, includes language permitting the dairy forward contracts. The Californians lost the early rounds of this fight but it may not be over yet.

"There are serious, serious reservations about this," Cardoza said.

To this customary regional maneuvering, lawmakers preparing for the 2007 farm bill added some new elements. Notably, in May 2005, representatives of fruit and vegetable grower organizations began mapping out what they wanted from the new bill. Representatives of wine, nut and conservation groups joined the discussions, which yielded a big wish list.

This year, ultimately joined by 120 co-sponsors from 28 states, Cardoza reintroduced the bill calling for some \$5 billion in specialty crop funding.

Some viewed the specialty crop alliance's wish list as unrealistic. Others considered it an initial bargaining position, set deliberately high as a starting point.

The specific proposals came from lots of places. Several years ago, for instance, Manuel Cunha from the Fresno-based Nisei Farmers League and others began talking about securing Agriculture Department funding to help farmers cut air pollution. They figured federal grants could help offset the \$25,000 cost of a new, cleaner tractor. Ultimately, lawmakers included \$150 million for the air quality grants.

## **Pelosi takes heat for OK of farm bill**

### **Legislation heavy on subsidies draws Bay Area activists' fire**

Carolyn Lochhead, Chronicle Washington Bureau  
S.F. Chronicle, Saturday, July 21, 2007

Washington -- House Speaker Nancy Pelosi signed off Friday on a five-year farm bill that would keep multibillion-dollar subsidies flowing to cotton, corn and a handful of other crops, deeply disappointing Bay Area food and environmental activists who had hoped that Congress might shift federal farm policy this year to combat obesity, air and water pollution and industrial farming.

Pelosi, a San Francisco Democrat, hailed as reform a bill that would grant subsidies to farmers earning up to \$1 million -- five times more than the cap sought by the Bush administration -- while increasing actual payments to farmers. The bill comes during the most prosperous era American agriculture has seen in decades as crop prices and farm income approach or set record highs.

"Bush seems to be taking a harder stance on millionaires than the Democratic Party, which is surprising," said Kari Hamerschlag, policy director for the California Coalition for Food and Farming, a Watsonville group urging lawmakers to move money from crop subsidies to environmental and nutrition programs.

The bill, finished late Thursday night by the House Agriculture Committee, would add \$1.6 billion for environmental and pest detection programs and research for California's fruit, nut and vegetable crops. It also would add money for farmers' markets and to provide more fresh produce in school lunch programs. Approval of the money is a breakthrough for the state's specialty crop industry, which receives no direct subsidies.

But the bill leaves the big commodity programs intact for cotton, corn, wheat, rice, soybeans and a handful of other crops that have been subsidized since the Dust Bowl in the 1930s.

Last year, farmers received more than \$21 billion in crop subsidies. Average farm incomes are about 20 percent higher than the average U.S. household income.

The committee even threw in an export subsidy for tobacco.

If anything, "we've actually increased the rates at which we support prices" for subsidized crops, said Daniel Sumner, a leading farm economist and director of the Agricultural Issues Center at

UC Davis. "We've really done nothing of a significant nature to change those programs. ... I think that's a mistake for the country."

Pelosi's prime motivation in supporting the current farm policy apparently is to preserve the re-election prospects of freshman Democrats in rural districts who toppled Republicans in November and helped secure Democrats their House majority and Pelosi the speakership. Nine of the freshmen sit on the House Agriculture Committee. Several said they feared any vote to reform farm programs would endanger their political prospects.

Pelosi spokesman Brendan Daly said the speaker was trying to "balance equities" between competing groups.

The Bay Area has become a hotbed of opposition to this year's farm bill. Food activists have teamed with environmentalists to form the most potent coalition in 75 years against the traditional farm lobby, one of the most powerful in Washington. Subsidized commodity interests dominate the House and Senate agriculture committees.

Led by Michael Pollan, a professor at UC Berkeley, and Berkeley restaurateur Alice Waters, food activists have become a force against crop subsidies, pushing for what Pollan calls a food bill, not a farm bill.

The activists want more diverse and locally grown food as well as more fresh food in federal nutrition programs such as food stamps and school lunches. They have tied the nation's obesity epidemic to subsidies for corn and soybeans -- the source of high fructose corn syrup and vegetable oils widely used in processed foods.

Ken Cook, president and founder of the Environmental Working Group, said the activists are "shocked that this would be considered reform."

House Agriculture Committee Chairman Collin Peterson, a Democrat whose Minnesota district receives large corn subsidies, said Pelosi backs his bill and will use her power to make sure it passes the House next week. Peterson called the \$1 million payment limit a "huge change in direction" and warned that the House leadership would quash any attempt -- a rebellion has been promised by Rep. Ron Kind, D-Wis. -- to make any significant changes.

"This is not a deal just between me and the folks that represent these people," Peterson said, referring to members representing subsidized farmers. "The speaker is involved in this."

Peterson dismissed critics outside the traditional farm belt.

"I know people on the outside can sit and complain about this, but frankly most of those people have no clue what they're talking about," Peterson said. "Most people in the city have no concept of what's going on here."

Commodity groups ridiculed the idea that subsidies have anything to do with obesity.

"The farm bill did not require people to eat more than they should," Daren Coppock, chief executive of the National Association of Wheat Growers, told a Washington conference this year. "If the farm bill causes obesity, it also causes AIDS, global warming, the extinction of endangered species, bad grades in school and probably dancing."

But the activists, backed by many agricultural economists, argue that the subsidies produce no public benefit. If federal tax dollars are to be spent in the farm economy, they argue, the money should go to things that benefit the public as a whole.

"I think shifting subsidies into environmental programs ... is a much better way of supporting the goals that U.S. taxpayers and consumers have for our agriculture programs," said Ann Tutwiler, a leading farm policy expert who is a managing director for the Hewlett Foundation.

The same goes for shifting money to nutrition, she said. "Where the activist community is coming down is a better place for U.S. farm policy to be."

Martha Noble, a senior policy analyst at the Sustainable Agriculture Coalition, said alternatives to crop subsidies include "conservation, research for organics and specialty crops -- fruits, vegetables, grasses, things that grow in a diversified food system -- certainly better nutrition, more attention to local foods and local markets."

Activists groups have taken aim at payments for commodities for two reasons: The money provides incentives to increase the use of pesticides and fertilizers and expand farm operations to capture more subsidies. That leads to larger farms and monocultures of single grain crops such as corn and wheat over millions of acres in the Midwest. The subsidies also raise land prices, winding up in the pockets of landowners, who may or may not be farmers, and making it difficult for younger farmers to get started.

Cattle ranchers who use grass pastures are at a disadvantage to large feed lots that use subsidized corn and other feed grains, Noble said, and places such as Iowa and Indiana that once grew apples and vegetables now grow mainly corn.

"We could have a much better agricultural system in this country, more diversity, more diverse food available in lots of different regions" without the subsidies, Noble said.

Rep. Kind promised to lead a fight on the House floor, hoping to pick up many Democrats for his plan to change the bill.

"We anticipate large bipartisan support," Kind said. "I don't think the farm bill is in final form by any stretch of the imagination. The process is just starting."

### **Firms fume over proposed diesel rules**

#### **Fight over emissions restrictions is first test of Schwarzenegger's new appointee on air quality board**

Greg Lucas, Chronicle Sacramento Bureau  
S.F. Chronicle, Monday, July 23, 2007

**Sacramento** -- The new chairwoman of the state Air Resources Board faces her first test this week as the construction industry attempts to weaken proposed requirements to reduce diesel emissions from its equipment.

Adoption of the diesel regulations is part of the state's effort to improve air quality -- particularly the highly publicized campaign to ratchet down greenhouse gas emissions by 25 percent within the next 13 years.

Thursday's vote by the 11-member board led by Mary Nichols, who held the same position under Gov. Jerry Brown three decades ago, comes after Gov. Arnold Schwarzenegger fired her predecessor last month, prompting the ousted chairman to say the governor was not aggressive enough in implementing the state's ambitious goals to curb global warming.

Construction firms, airlines and others that operate the estimated 180,000 off-road diesel vehicles in the state -- including graders, backhoes, tractors and airport baggage tugs -- say the proposed regulations demand too much reduction too soon.

They say they need a deadline later than 2020 to ratchet nitrogen emissions down 32 percent because new cleaner-burning diesel engines won't be available until at least 2014.

The air board's staff says the new rules -- with an estimated cost to implement of \$3.5 billion between 2009, when they would take effect, and 2020 -- will reduce cases of asthma and save lives shortened by air pollution. Beginning next year, federal law requires that new earth-moving or other diesel-powered, off-road vehicles have significantly cleaner-burning engines. California's proposed regulations would impose the same requirements on existing vehicles, which could lead to expensive replacement of existing engines, some of which are up to 30 years old.

Although the air board acknowledges that its proposed regulations "dwarf" any previous air-quality standards it has adopted, it insists that industry concerns have been addressed by creating longer compliance timelines for smaller businesses with fewer vehicles.

"We've been in many, many meetings with the industry," said Gennet Paauwe, a spokeswoman for the board. "We're entertaining their ideas, but it's really up to the board to make a final determination."

Earth-moving equipment and airline vehicles are first, but the board's next targets for emissions reductions are on-road trucks, followed by the agricultural industry.

Although the regulations are aimed at improving air quality by reducing particulates and nitrogen-oxide emissions rather than greenhouse gases, they now are affected by the politics surrounding global warming and the air board.

After Chairman Robert Sawyer's firing last month and the subsequent resignation of the board's longtime executive director, Democrats and environmentalists questioned the GOP governor's commitment to reducing greenhouse emissions. Schwarzenegger silenced that questioning with his appointment of Mary Nichols to replace Sawyer, a move widely praised by environmentalists.

Nichols said at a Senate hearing Tuesday that her charge from the governor was to "speed up, not slow down" air-quality efforts.

The construction industry says the proposed diesel regulations would cost it as much as \$13 billion and potentially cause the loss of 30,000 jobs. Without changes, it says, the regulations would cause large and small construction companies to idle old equipment, shrinking their income and their payrolls.

"What the air board has proposed is, at this point, devastating to construction firms like ours," said A.J. Vasconi, head of a Concord firm with 20 employees that specializes in public works projects. "When I retire a piece of equipment, I remove a revenue generator from my firm, which means I also reduce the number of employees I have, which, unfortunately, puts those people out of work."

The Coalition to Build a Cleaner California, which includes representatives of labor unions, construction companies and the airline industry, says it shares the air board's pollution-reduction goals and will meet some of them before the board's deadlines -- if the regulations are changed.

The group wants the air board to give smaller businesses, which make up 90 percent of construction firms in the state, until 2025 instead of 2020 to meet the board's clean-air deadlines. Larger companies would have less time.

The coalition supports the air board's reduction levels, but wants to allow construction firms to meet them every three years, rather than annually as the board proposes.

Environmentalists contend that any delay in reducing air pollution puts lives at risk.

"The construction industry is never going to want to be regulated or pay more for cleaner equipment," said Diane Bailey, a scientist for the Natural Resources Defense Council in San Francisco.

"This rule would save 4,000 lives over the phase-in period, which is a decade," Bailey said. It will prevent tens of thousands of cases of asthma and hundreds of thousands of lost work days. That amounts to savings of \$18 million to \$26 million. That outweighs the cost of the rule by five to nine times over."

### **More freeway risks are found**

L.A. Times, Monday, July 23, 2007

Long-term exposure to air pollution from a nearby freeway or busy road can raise the risk of hardening of the arteries, which can lead to heart disease and stroke, German researchers have reported.

The study is published in the July 17 issue of *Circulation*, an American Heart Assn. journal.

Previous studies have linked elevated levels of air pollution to an increased risk of heart problems, but this is the first to demonstrate that living near high traffic is associated with coronary atherosclerosis.

The study looked at 4,494 adults, ages 45 to 74, in three large cities in the industrialized Ruhr area of Germany.

Doctors examined the participants, looking especially for coronary artery calcification, which occurs when fatty plaques forming in the artery walls become calcified, or hardened.

Researchers found that the chance of high coronary artery calcification was 63% greater for those living within 50 meters from major traffic than for those 200 meters from it.

For people within 51 meters to 100 meters, the chance was 34% higher. It was 8% higher for those within 100 meters to 200 meters of heavy traffic.

These percentages take into account age, gender, smoking and high blood pressure.

A five-year follow up study is set to be completed next year.

"Potential harm due to proximity to heavy traffic should be considered when planning new buildings and roads," said lead researcher Dr. Barbara Hoffmann of the University of Duisburg-Essen in Germany.

### **CLEANER FUTURE? PLUG IN**

#### **Electric hybrid cars hold promise of slashing greenhouse gases**

Zachary Coile, Chronicle Washington Bureau  
S.F.Chronicle, Friday, July 20, 2007

Washington -- Only a handful of plug-in hybrid electric cars are driving around the Bay Area today. But the vehicles -- with fuel economy that can exceed 100 miles per gallon -- could play a crucial role in fighting global warming and America's addiction to foreign oil.

A study released Thursday by the Palo Alto-based Electric Power Research Institute and the Natural Resources Defense Council confirmed what advocates of plug-in vehicles had long suspected: Hybrid electric cars, if widely adopted in the United States, would yield huge reductions in greenhouse gases over today's fleet of gas-fueled cars and hybrid vehicles.

"The studies finally give an environmental stamp of approval" to plug-in vehicles, said Felix Kramer, founder of CalCars.org, which promotes electric hybrids. "Scientists have confirmed that unlike gasoline cars, plug-ins will get cleaner as they get older -- because our power grid is getting cleaner."

If most Americans switched to electric hybrids by 2050, greenhouse gases would be slashed by 450 million metric tons annually -- the equivalent of taking 82.5 million cars, about one-third of the U.S. fleet, off the road, according to the study.

Despite the promise of plug-in hybrids, most consumers will have to wait years before they can buy one. Seven major automakers are talking about building them -- GM is already hyping its concept car, the Chevrolet Volt -- but no company has yet set a date to start mass production.

But the same forces that led many drivers to buy conventional hybrid cars, such as the Toyota Prius, are spurring new interest in this next generation of hybrids. The new vehicles are powered by batteries that can be charged at home but also carry a backup gas tank for longer trips beyond the range of most electric cars. In the Bay Area, consumers are starting to make the leap by buying electric vehicles or converting their hybrids into plug-ins.

The new study sought to answer a key question: Would switching American's fuel of choice from gasoline to electricity significantly reduce greenhouse gases? Or would a new fleet of electric hybrids increase the use of coal at power plants, producing emissions as bad or worse than gasoline?

Scientists from the Electric Power Research Institute -- a nonprofit think tank funded mainly by electric utilities -- and the Natural Resources Defense Council used computer models to simulate what would happen to emissions. They tested different scenarios based on how quickly Americans embraced the new hybrids and what type of energy -- clean or dirty -- was used by utilities.

The study found that if 60 percent of Americans shifted to plug-in hybrids by 2050, it would lead to an increase in electricity usage of 7 to 8 percent -- a relatively small increase, indicating that hybrids would not necessarily require a surge of new power plant construction. Plug-in hybrids are charged mostly at night, when demand for electricity is low.

At the same time, the report estimates that electric hybrids would displace the need for 3 million to 4 million barrels of oil per day by 2050, more than twice what the United States imports each day from Saudi Arabia.

Researchers also found that plug-in hybrids reduced greenhouse gases no matter what energy source was used to produce the electricity, whether coal, nuclear, hydroelectric, wind or solar. Electric hybrids generated 40 to 65 percent less greenhouse gas than gas-fueled vehicles and 7 to 46 percent less than conventional hybrids.

Plug-in hybrids also would slightly lower air pollutants such as nitrogen oxide, sulfur dioxide and smog-forming ozone in most regions, the study found. But emissions of particulate matter could rise because of the increased burning of coal.

"It shows the next generation of hybrid vehicle technology will reduce both global warming pollution and conventional air pollution in most parts of the United States ... particularly if we are conscientiously taking steps to clean up the power grid," said Dan Lashof, science director at the Natural Resources Defense Council's climate center.

The study was funded by a broad range of groups, including many electric utilities, such as American Electric Power, Pacific Gas & Electric and Edison International. Utilities have a clear interest in plug-in hybrids, which could drive up electricity usage and, possibly, their profits.

But John Bryson, chairman and CEO of Edison International, parent company of Southern California Edison, who attended the announcement of the study in Washington, noted that California has had rules on the books since the early 1980s that prevent utilities from making more profit based on how much power they sell -- an effort, at the time, to boost conservation.

Bryson, whose family owns three conventional hybrids, said he sees huge environmental benefits from plug-in hybrids, especially in California, where 40 percent of greenhouse gases are emitted by cars and trucks.

"What we are talking about here is potentially a very, very, large effect" on emissions, Bryson said.

Electric cars driven in California would boast even cleaner emissions because the state's power plants run mostly on low-emission natural gas, nuclear and renewables -- not coal. California has long been known as the research hub for electric hybrids. UC Davis Professor Andrew Frank, whose vehicle design center has produced nine different plug-in concept vehicles, is seen as one of the founders

of the movement. The first Prius conversion into a plug-in took place in Corte Madera, said CalCar.org's Kramer.

Bay Area startups, such as Tesla Motors of San Carlos and Santa Rosa's Zap, have been pioneering low-emission electric vehicles.

Google's philanthropic arm, Google.org, announced last month that it will give \$10 million to entrepreneurs to develop electric hybrids that can get the equivalent of 70 to 100 miles per gallon of gas. Google also is joining with PG&E to test vehicle-to-grid technology that allows consumers to charge their cars at night -- when power is cheap -- then drive them to work or a BART station and plug in again, feeding power back into the electricity grid during the day when it's needed most.

"If we have a high demand day ... rather than the air conditioning being powered by the grid, it would be powered by your car," said Sven Thesen, supervisor of PG&E's clean air transportation group. The technology is still being fine-tuned but could be in widespread use within the next 10 or 20 years, he said.

Some electric car buyers are still angry over General Motors' decision to pull the plug on the EV1, an electric car that was beloved by its owners in the 1990s, prompting the 2006 documentary, "Who Killed the Electric Car?"

But GM's Tony Posawatz, who heads the vehicle line for the Chevy Volt and attended the announcement of the study, said his bosses are committed to producing the Volt and other

electric hybrids on a mass scale. But he would not commit to a firm date or say how much the car would cost.

"We believe that this is the future," he said. "The potential for plug-ins is tremendous."

### **COMPARING THE HYBRIDS**

The plug-in hybrid

The Chevrolet Volt's gasoline engine does not drive the wheels; it only charges the batteries. The electric motor powers the car at all speeds, and the Volt can travel 40 miles on batteries alone.

The standard hybrid

Hybrid cars are essentially gasoline-powered vehicles. All the electricity they use comes ultimately from the gasoline engine. But the gas engine in a hybrid vehicle is smaller, and it is turned off when the vehicle is stopped or cruising at low speeds.

Comparing the Hybrids

#### **CHEVROLET VOLT**

Range: 640 miles with batteries and on-board generator; 40 miles on batteries only

Weight: 3,200 pounds

Recharge time: 6.5 hours

#### **TOYOTA PRIUS**

Mileage: 55 combined; 60 city / 51 highway

Weight: 2,932 pounds

Recharge time: None

Sources: Automobile Quarterly; Henry Ford Museum; Ward's AutoInfoBank; Toyota Motor Corporation; American Honda Motor Company, General Motors, New York Times

### **Plug-in hybrids seen as vehicles for change**

**A study projects lower emissions and sufficient power grid capacity.**

By Martin Zimmerman, Times Staff Writer

L.A. Times, Thursday, July 20, 2007

The widespread use of plug-in hybrid vehicles — which could be driven up to 40 miles on electric power alone — would significantly reduce greenhouse gas emissions in the United States without overloading the nation's power grid, according to a new study.

The upbeat news for plug-ins, seen by many as the next big step in environmentally friendly automotive technology, came with two caveats. Achieving the maximum air quality improvements would require a significant cut in the pollution produced by electric utilities. It's also dependent on large-scale adoption of plug-in hybrids, which may not be in new-car showrooms for several years.

Even so, backers of plug-in technology were heartened by the latest findings, which could help defuse the claim that the vehicles simply would transfer the source of air pollution from vehicle tailpipes to power station smokestacks.

The study "finally gives an environmental stamp of approval" to plug-in hybrids, said Felix Kramer, founder of CalCars.org, an advocacy group in Palo Alto. "It shows that even with today's power grid, plug-in hybrids are a great idea."

The current generation of hybrid cars and SUVs reduce fuel consumption by switching between a gasoline engine and a battery-powered system that is recharged during braking.

Several major automakers, including General Motors Corp., Toyota Motor Corp., Ford Motor Co. and Nissan Motor Co., are working on plug-ins. Barring a breakthrough in battery technology,

however, most say it will be several years before the vehicles are available at dealers.

Ford Chief Executive Alan Mulally, in Southern California last week to announce a plug-in hybrid pilot project with Southern California Edison, said a production model was five to 10 years away. GM has said it hopes to have the Volt, a plug-in electric car, in showrooms by 2010, but that date is contingent on "a technological breakthrough" on more powerful lithium-ion batteries, a spokesman said.

Cost is also an issue. Some experts estimate plug-in technology could add \$10,000 to the sticker price. Even with gas selling for more than \$3 a gallon and electricity costs for plug-ins pegged at the equivalent of less than \$1 a gallon, that's a significant markup.

Converting a hybrid into a plug-in can cost even more. It also voids the car's warranty, a Toyota spokesman said.

A raft of proposals has been introduced in Congress that would provide incentives to manufacturers and buyers of plug-ins, as well as provide additional funding for battery development and mandate the use of plug-ins in government vehicle fleets.

"It's frustrating for a consumer," said Quyen Ton of Tustin, an electrical engineer who said he would buy a plug-in if one were available. "Even though you know it's valuable technology, you can't go out and actually buy one."

Hybrid versions of traditional cars can improve fuel economy by 40% or more. The Toyota Prius, the bestselling hybrid, gets 46 miles per gallon in combined city-highway driving, according to the latest government estimates. The average for all 2006 model cars sold in the U.S. was 24.6 mpg.

Plug-in hybrids use a more powerful array of lithium-ion batteries and are recharged using a standard home electric outlet. That enables the car to travel up to 40 miles, by some estimates, on electricity alone before the battery is depleted and the hybrid powertrain takes over.

That could allow the typical Southern California commuter to make it to work and back only on electrons, based on government estimates that the average commute in the region in 2005 was around 19 miles each way.

Priuses modified to run as plug-ins have achieved more than 100 mpg.

The study released Thursday was conducted by two nonprofit groups, the Electric Power Research Institute and the Natural Resources Defense Council. It measured how the nation's air quality would be affected under varying levels of plug-in hybrid use and pollution control at power plants.

According to the study, a marginal improvement in power plant emissions, coupled with ownership of plug-ins by 20% of U.S. drivers by 2050 — the report's worst-case scenario — would cut annual greenhouse gas emissions by 163 million tons.

Under a "middle case" scenario, which assumes plug-ins make up 62% of U.S. passenger vehicles by 2050 and utilities adopt more stringent pollution-control measures, emissions would be cut by 468 million tons a year.

That would be equal to removing 82.5 million vehicles, about a third of the light vehicles on the road today.

"The study clearly shows that the benefits from pluggable hybrids are greater if the power sector is cleaner," said Dan Lashof, science director of the Natural Resources Defense Council's Climate Center.

Reducing greenhouse gas emissions would help combat global warming, and increasing the fuel efficiency of passenger vehicles would reduce the nation's dependence on petroleum, the nonprofit groups said.

The study estimated that a 60% market share for plug-in hybrids would tap only 7% to 8% of the electricity available nationwide in 2050. That finding jibes with a study released late last year by the Department of Energy that concluded that "the existing electric power system could generate most of the electricity consumed" by plug-ins. However, the DOE study noted that the power supply situation is tighter in California, a popular market for hybrids.

Although the study estimates that plug-ins would become available in 2010, the outlook for the vehicles is murky. That's mainly because of questions about lithium ion batteries, which have caused fires in laptop computers.

"We have no indication that lithium ion batteries are a practical application for automobiles yet," said Robert Faraday, publisher of the Truth About Cars website.

### **Some LA supervisors balk at driving hybrids, prefer gas guzzlers**

In the Bakersfield Californian, Monday, July 23, 2007

Some supervisors cling to gas-guzzling vehicles 18 months after the Board of Supervisors decided on hybrid vehicles for the county fleet to protect the environment.

The county has replaced 170 vehicles in its fleet with gas-sipping hybrids, primarily Toyota Priuses. But supervisors still prefer large cars.

Only one of the five supervisors drives a hybrid.

Supervisor Gloria Molina drives a Buick Lucerne, bought by the county for \$32,409; Yvonne Brathwaite Burke has a \$37,854 Chrysler 300; Michael Antonovich has a \$31,663 Cadillac DTS; and Zev Yaroslavsky drives a \$27,600 Buick Park Avenue.

Yaroslavsky's Buick is the same car he had when he and Antonovich authored the November 2005 motion calling for cars to be replaced with hybrids only "where practical and economically feasible."

Supervisor Don Knabe drives a \$39,795 hybrid Toyota Highlander SUV, although he notes it is smaller than what he's used to.

Some supervisors and their deputies said hybrids were too small.

The cars are bought with county funds and are usually leased by the supervisors for \$670 per month - after they receive a \$620-per-month car allowance and \$70-per-month parking allowance.

There aren't many hybrid luxury vehicles available for those who prefer larger cars, said Matt Miyasato, a technology demonstration manager at the South Coast Air Quality Management District.

## **Agency considers clean air cash rebates**

### **Air quality district looking for ways to eliminate wood smoke**

By Denis Cuff , Medianews Staff

Tri-Valley Herald, Friday, July 20, 2007

Hoping to spare the air from wood smoke, the Bay Area's clean air agency unveiled plans Wednesday to offer homeowners cash rebates to switch to less polluting fireplaces or stoves.

Owners of conventional open-hearth fireplaces or old smoky stoves would be offered \$100 to equip a fireplace with ceramic logs heated by natural gas.

They would get \$300 to install an EPA-certified wood stove, and up to \$600 to install a pellet stove, according to a preliminary draft of the rebate program.

The Bay Area Air Quality Management District board is expected to consider approving the rebates in time for winter — just as the board takes up a proposal to ban wood smoke fires on bad air nights.

This is part of our multi-prong campaign to reduce the public health risks of wood smoke, said Karen Schkolnick, spokeswoman for the nine-county air district. One prong is incentives. Another prong is regulatory.

Wood smoke on cold nights can account for up to a third of the Bay Area's fine particle pollution called PM. 2.5, which can aggravate the risk of lung and heart problems and even cause premature death among the sick and elderly, officials say.

The rebates won't cover the full cost of new burning devices — which can from \$300 to \$3,000 to buy and more to install — but it could be enough to motivate many people to switch, said Kelly Wee, the district's director of enforcement.

The district also will look at rebates for sealing off or removing fireplaces.

To qualify for rebates, home owners would file declarations that they owned an open hearth fireplace or a non-EPA-certified stove, Wee said.

Then they would submit proof that they had installed the clean-burning devices and that the old stoves were crushed.

An air board committee given a preview of the rebate plan Wednesday said it likes the concept, but wants to hear more details before the program goes to the full board.

I think this is a good way to clean the air, said Gayle Uilkema, a Contra Costa County supervisor on the air pollution board.

She said she wants to investigate the possibility that industries be allowed to earn credits for meeting their own pollution reduction obligations if they contribute money toward the rebate program.

Uilkema said her county office surveyed hundreds of West and Central Contra Costa residents and found that 76 percent don't burn wood fires even if they have fireplaces.

A rebate program could prove popular among the other 24 percent who do burn, she said.

Last winter, the district issued 30 Spare the Air tonight warnings because it predicted air quality to violate a federal health standard for fine particles.

## **Some Navajos oppose plant on reservation**

By SUSAN MONTOYA BRYAN, Associated Press

In the Fresno Bee, Thursday, July 20, 2007

With population swelling across the West, supporters of a proposed coal-fired power plant on the Navajo Nation reservation say the thirst for electricity is becoming too much for existing plants.

But some Navajos and other opponents of the \$3 billion Desert Rock Energy Project argue they should not have to sacrifice their health or environment to provide power for cities thousands of miles away.

"We're the ones who have to have all the health problems and we're going to be the ones who have all the pollution," Nadine Padilla of the Sacred Alliance for Grassroots Equality Council said Thursday at a news conference before a public hearing on the project. "And for what? For Phoenix and Las Vegas to have electricity?"

Both sides are getting a chance to speak this week and next at a series of hearings on a draft environmental impact statement for the plant, a joint venture between Houston-based Sithe Global Power LLC and the tribe's Dine Power Authority.

The tribe's power authority and Sithe have touted Desert Rock as the cleanest coal-burning plant in the nation and a much-needed source of jobs and revenue for the Navajo Nation, where unemployment hovers around 50 percent.

"You don't have to go very far to realize that jobs and unemployment and economic development are missing from the Navajo Nation," Sithe spokesman Frank Maisano said.

But Padilla and representatives from a host of environmental groups are urging leaders around the nation to look to renewable resources, such as wind and solar energy, to produce electricity.

They said setting standards - like New Mexico, Colorado and other states have done - requiring utilities to get a certain amount of their power from renewable energy sources would lead to new jobs, billions of dollars in capital investment and a means to tackle global warming.

The groups complained that the Bureau of Indian Affairs did not adequately review alternatives to Desert Rock or fully consider cultural resources in the area when preparing the environmental impact statement.

Maisano said Navajo tribal leaders invited the company to the reservation in an effort to spur economic development and create a source of revenue for tribal coffers. He said Sithe has listened to concerns of Navajos and environmentalists and made changes to Desert Rock.

"They complained about water issues. We met them more than halfway and proposed an air-cooled plant, which reduces water use 85 percent," he said. "And all the water that it does use, by the way, goes to pollution controls, which is the second area. They wanted an array of pollution controls. We put everything and more on there."

Although Desert Rock would emit less pollution than two nearby existing power plants, opponents say it would still add to the carbon dioxide, sulfur dioxide, mercury and other pollutants in the region.

Elouise Brown, a Navajo from northwestern New Mexico who has been fighting Desert Rock, said residents would be open to wind farms or power-generating operations that rely on solar energy.

"We're open to any kind of economic develop as long as you're not trying to kill us," she said.

Despite the benefits of electricity generated from renewable sources, Maisano said states that are pushing for green power still have to meet massive growth needs.

"Those are possibilities that have to go forward," he said. "Now, is that going to meet the needs that are out there? No. The baseload needs are so great you can have three or four Desert Rocks and still have needs."

### **NYC car toll plan: After deal, far to go**

By SARA KUGLER, Associated Press  
In the S.F.Chronicle, Fresno Bee and other papers  
Thursday, July 20, 2007

Mayor Michael Bloomberg's plan to charge cars and trucks to enter much of Manhattan cleared a hurdle when state lawmakers reached a deal, but drivers don't need to start scrounging for extra dollars just yet.

Bloomberg's proposal to reduce traffic and air pollution by charging cars \$8 and trucks \$21 in the city's busiest neighborhoods is still many steps away from being implemented.

"Certainly, there will be discussion of the details of various components of our plan," he said in a statement Thursday. "But together we have made a commitment to a greener, healthier and more livable New York."

The deal was far short of what Bloomberg wanted.

He had gone to Albany on Monday and pushed the Legislature - which must approve the proposal for it to be enacted - to act by midnight. That was the deadline for applying for \$500 million in federal money for innovative transportation projects.

Lawmakers balked and there was no vote. On Tuesday, back in New York City, Bloomberg criticized legislators for missing a "once in a lifetime opportunity" and said there was likely no chance the city could get the money and put the plan into motion.

"This is just a disgrace," he told reporters.

But his staffers stayed behind in the state Capitol and kept working with Gov. Eliot Spitzer and Assembly Speaker Sheldon Silver, who are Democrats, and Senate Majority Leader Joseph Bruno, who is a Republican. The mayor - a former Republican who recently became an independent - also participated by phone.

Although Bloomberg had initially said a decision had to be made by Monday so the city would meet the federal deadline, a spokesman for the mayor said Thursday the administration was in touch with federal officials as the deal was reached.

Opponents of the Bloomberg plan argue that it will not affect driver behavior enough to improve air quality or overall traffic patterns. They also say it amounts to a tax on middle-class New Yorkers who live outside Manhattan.

What emerged was an agreement to form a commission that will examine the overall concept of reducing traffic. The primary plan the commission will study is Bloomberg's proposal, through hearings, testimony and a review of every aspect of traffic congestion.

The group is to make a recommendation by January 31.

"The commission that we created is one that will be rigorous, examine the issues and comes up with the best ideas," Spitzer said. "It could be identical to the mayor's plan; it may vary to some degree. We'll wait and see."

## **FEMA Announces Trailer Air Testing Plans**

By DOUG SIMPSON, The Associated Press  
Washington Post, July 20, 2007

BAKER, La. -- Federal agencies will test air quality in trailers housing hurricane victims, an official said Friday, a day after documents revealed that government lawyers discouraged investigating reports of high formaldehyde levels in them.

First on Saturday, the Federal Emergency Management Agency will begin distributing a fact sheet on formaldehyde and housing to the occupants of each travel trailer and mobile home the agency issued in Alabama, Louisiana, Mississippi and Texas, said R. David Paulison, FEMA's administrator.

"This fact sheet will provide basic information about formaldehyde, its possible medical effects and contacts for further assistance," he said.

Then on Tuesday, the U.S. Centers for Disease Control and Prevention and the Department of Homeland Security's Office of Health Affairs will conduct a preliminary field study that will test the air in "FEMA-purchased housing units under real-life conditions," Paulison said.

"We are also looking into engineering solutions that may be available effectively to remove environmental pollutants from the trailers," he said.

FEMA provided more than 120,000 trailers to people displaced by hurricanes Katrina and Rita in 2005. Thousands of people still live in them, mostly in Louisiana, Mississippi and Arkansas.

On Thursday, documents released to the House Oversight and Government Reform Committee showed FEMA lawyers discouraged the agency from pursuing reports that the trailers had dangerous levels of formaldehyde, which can cause respiratory problems.

Residents of Renaissance Village, a FEMA trailer park in Baker, said they have no proof the trailers are causing illness. Wilbert Ross, 60, had asthma and emphysema before Katrina, conditions that have worsened since he moved into the trailer \_ a common complaint among the community's residents.

"Here, you have a whole community that has health problems," Ross said.

During Thursday's hearing in the House, Paulison apologized to trailer occupants. Earlier this week, the agency had issued a statement saying air quality in the trailers is safe if they are properly ventilated.

The formaldehyde complaints had sparked lawsuits before the congressional hearing, and more are likely.

Justin Woods, a New Orleans lawyer who filed a lawsuit that accuses FEMA of exposing trailer occupants to the chemical, said he expects an "onslaught" of similar litigation.

Woods represents the family of Desiree Collins, 47, a Renaissance Village resident who died July 2, about a week after she was found to have lung cancer.

On behalf of Collins' husband and children, Woods asked a federal judge to certify a class-action lawsuit \_ not against FEMA, but against companies that sold trailers to the agency. Collins said his suit is one of several in Louisiana \_ none of which has yet been certified class-action.

"It's still at a very early stage in the litigation," he said.

In May, the Mississippi chapter of the Sierra Club issued a nonscientific report saying its tests revealed high formaldehyde emissions in dozens of trailers in Mississippi and Louisiana.

Chapter co-chair Becky Gillette said she is concerned that FEMA's response to the problem appears limited to conducting more tests.

"The remedy is still just far down the line for the tens of thousands of folks still living in the trailers," Gillette said.

Formaldehyde is used in some materials in the trailers. It can irritate the eyes, nose, throat and skin, according to the U.S. Department of Health and Human Services.

FEMA said it will open on Saturday a toll-free hot line to answer questions about the formaldehyde issue and associated FEMA housing concerns, he said. The toll-free number is 866-562-2381.

## **U.S. firms turn Red to Green**

### **China looks to Silicon Valley for energy answers**

By John Boudreau, Medianews Staff  
Tri-Valley Herald, Monday, July 23, 2007

ZHANGJIAGANG, China — Sam Huang has found a new land of opportunity for Silicon Valley — in the shadow of a giant smokestack in the Yangtze River Delta.

Dressed in a black designer suit with a Treo attached to his ear, the executive with San Jose-based Echelon, whose smart-building technology usually is associated with gleaming high-rises, paid a recent visit to a new client: China's third-largest steel mill. The plant is trying to go green by using Echelon's products to reduce the energy consumed to forge steel and iron to feed China's around-the-clock construction craze.

Less energy used means fewer tons of coal burned to produce electricity. At the Jiangsu Shagang Group, a vast complex located 100 miles west of Shanghai, that savings could be as much as 65,000 tons a year. It is a tiny step for cleaner technology — and clean air — in a nation that is building coal-fired power plants at an assembly-line speed of one a week.

Silicon Valley companies, which first looked to China to manufacture PCs and iPods, now see potential profit in its environmental meltdown.

They see opportunities to sell a vast range of clean-tech products and services. Those include water filtration systems; green building technologies that reduce energy use; processes to convert waste into biofuels; better wind turbines; solar power technology; "smart" street lights; and even software for energy companies to help manage operations more efficiently.

"Every market is big in China," Huang said.

### **'Next 24 months'**

Gary Rieschel, a veteran valley venture capitalist who relocated to Shanghai, sees a "tidal swell" of interest in the China energy and clean-tech market from abroad. "The wave will occur some time in the next 24 months," he predicted. "Silicon Valley has a huge play here."

Already venture capitalists are increasing their clean-tech bets in China, from \$7 million in 2004 to \$222 million last year, according to VentureOne and Ernst & Young. Over that same period, venture funding for clean-tech deals in the United States soared from \$522 million to \$884 million.

Chinese government officials and environmentalists say the only hope to head off environmental catastrophe is through the kind of technology Silicon Valley offers. China's air, water and land are so polluted that environmental hazards kill hundreds of thousands of its people each year. And China's pollution problems are spilling over onto other countries. Dirty air traced back to China can be found in California's skies, and could become a major source of pollution here.

Cleaning up China's environment "will require good technological assistance and sheer political commitment," said Hal Harvey, environment program director at the William and Flora Hewlett Foundation in Menlo Park, which funds projects in China.

Doing business in China is never easy for foreign companies, and executives who move into this growing sector face the same challenges others have run into, including corruption, intellectual property theft and a wall of distrust erected by Chinese industry leaders.

But the opportunities in China are too great to ignore, particularly for risk-taking valley entrepreneurs and investors who relish change-the-world business plans.

Some initiatives are driven by personal reasons. Peggy Liu, a former Silicon Valley Internet executive now living in Shanghai, grew tired of watching her two young boys breathe "black air."

So Liu, whose home is outfitted with four air filters, created an international network linking academics, government officials, entrepreneurs and investors on both sides of the Pacific to find practical — and profitable — solutions to China's environmental woes.

"It's the do-good, save-the-world, on-the-edge, it's-OK-nobody-has-figured-it-out-before mentality," said Liu, who in 1996 co-founded an early e-commerce Web site. "I was one of those people."

In early April, she organized a conference on energy for U.S. investors in Shanghai that attracted high-level Chinese government officials and members of the Bush administration ([www.mitenergyinchina.org](http://www.mitenergyinchina.org)). She then founded the Joint U.S.-China Cooperation on Clean Energy, a network of government officials, investors, industries and researchers to promote innovation in areas such as energy-efficient buildings, transportation systems, non-food biofuels and "clean" coal technology.

### **Big-ticket tech**

"It's not just the technology that comes out of Stanford University," said Lui, chief operating officer of Mustang Ventures, a \$40 million fund focused on investing in start-ups in China. "There is a whole industry of things that will appear, a whole slew of service-based companies."

But for any venture to succeed in China's new and often ruthless market economy, it must produce clear economic benefits, and those can be hard to achieve.

"On the one hand, we want the best technology," Lai Ming, general director of science and technology with the Ministry of Construction, said in his office in one of Beijing's boxy, Soviet-era buildings. "On the other hand, we may not be able to afford it. The Silicon Valley guys may not be able to lower the price."

Selling to this once-closed society requires a very different business model.

"You must find some old China hands, people who understand the government," advised Xiong Sihao, a vice minister who oversees network coordination and information security. "You just can't come here and say, 'I have the greatest technology.' Who cares?"

Plenty of patience must be built into any China business plan, said Andrew Hu, who has headed up China operations for Oracle, and is now president of China operations for San Jose's Wyse Technologies. Wyse makes "thin client" devices, desktop monitors that resemble a personal computer but operate on a network and provide significant energy savings.

Wyse, which had trouble getting traction in China, now has a more receptive audience because of the new focus on saving energy. A Wyse device uses about 10 watts per hour, versus 300 watts for a regular desktop.

"The pollution is killing the environment," Hu said. "The government is trying to do everything to make even the slightest improvements."

While companies trying to crack the clean-tech market in China face many challenges, some can take advantage of its authoritarian government structure.

"You can do things on a scale in China that you can't in the United States," said Charles Freeman, managing director of the China Alliance, an association of law firms. "And the government can demand things on fiat: If you've got a better catalytic converter, the government will actually mandate it."

But there are downsides, added Freeman, who served as the United States' chief China trade negotiator between 2002 and 2005. "Your intellectual property will be pirated. It's not a matter of if, it's a matter of when. The key is to be constantly innovating."

Intematix, a maker of materials for next-generation energy efficient nonfluorescent street lights, counters the piracy threat by manufacturing its products in Fremont, then selling them in China.

"Everyone tries to copy," said Chief Executive Peter Larsson. But he added that China is changing and that copycats are increasingly concerned about getting sued.

Whether China can sustain economic growth while improving its environment remains to be seen. Likewise, Silicon Valley's ability to succeed as a clean-tech partner in China is far from guaranteed.

Rob McCormack, co-founder of Mustang Ventures and husband of Peggy Liu, isn't optimistic that the government has the will to strike a balance between economic growth and environmental protection.

"I go to cities of 400,000, 500,000 and they are just disgusting," he said. "China doesn't care about pollution. They are still going for growth, because growth is stability."

But his wife looks at the country's exploding economy and draws an opposite conclusion.

Driving through Shanghai's Pudong district, a forest of skyscrapers that 15 years ago was farmland, she pointed to yet another nearly completed high-rise. "This building didn't exist a few months go." She sees the same get-it-done drive in the government's campaign to save the environment.

"I think the government is absolutely serious about what they call green GDP," Liu said.

[Fresno Bee commentaries, Sunday, July 22, 2007:](#)

### **MATTHEW AUER: Stricter mileage standards are the key to quelling global-warming threat**

BLOOMINGTON, Ind. -- The Organization of Petroleum Exporting Countries oil embargo of 1973-74 inspired Congress to promulgate "CAFE" or Corporate Average Fuel Economy standards for passenger cars and light trucks. This marked the end of a carefree era when eight-cylinder, twin-fin sedans plied America's roadways.

Fuel-economy standards grew stricter during the 1970s and part way through the 1980s. But gas prices drifted downward in the 1990s, and lawmakers lost interest in fuel economy. CAFE standards stalled out at 27.5 mpg for cars and 20.7 mpg for light trucks and haven't budged for 20 years.

It's time for stricter standards and for reasons more urgent than in the 1970s. More is at stake than pain at the gas pump and the damage inflicted on America's economy by high oil prices.

Worldwide, cars and trucks generate around 25% of all global-warming pollution. Higher CAFE standards mean less gas consumed per mile driven, and less emitted carbon dioxide. What's more, on a cost basis, high fuel-economy cars and trucks easily beat alternative carbon-cutting strategies, such as solar energy, wind power and carbon capture and storage.

Some naysayers contend that if cars become more fuel efficient, driving will become cheaper, and drivers will spend more time on the road, negating any environmental advantages and energy savings. But research shows that high fuel economy does not inspire gluttonous driving habits.

There are reasons other than planetary habitability -- if that weren't reason enough -- to boost auto fuel economy. Our "addiction to oil" as President Bush appropriately framed it, directly or indirectly puts American soldiers in harm's way. America could be more flexible in how it uses its political and military assets abroad were it not so dependent on foreign oil.

In June, the Senate passed legislation raising CAFE standards to 35 mpg by 2020 for both cars and trucks. This was one highlight of an energy bill that had as many disappointments as achievements. Among the downsides was an eleventh hour abandonment of provisions to annually ratchet up CAFE standards by 4%.

Conceivably, Detroit could achieve an average fuel economy of 35 mpg for its cars and trucks by 2020 without legislation, though GM, Ford and Chrysler's CEOs would no sooner admit that possibility than drive around in Hondas.

In fact, Honda shows the way. More than 50% of the vehicles it sells get 30 mpg or higher on highways. Toyota's Prius, a hybrid gas-electric car, gets 60 mpg in urban driving. These cars also generate comparatively less greenhouse gases and smog-forming chemicals per mile driven.

By and large, Honda, Toyota and VW's higher fuel-economy cars perform well in safety tests, including front and side crash and rollover tests, belying claims that fuel-efficient cars or autos with light frames are less safe.

Car manufacturers learned years ago that structural design, more than weight, is essential to car safety.

Dismal safety records of some early model, heavy -frame SUVs reinforce this lesson.

Relatively fuel-efficient, safe and affordable cars from Japan and Germany have already charmed millions of American car owners. It's a shame Detroit lacked the foresight of its overseas competitors, who in the 1990s, made contingency plans for a future of sharply higher gas prices.

Someday, the Senate's bill might be remembered as a turning point in Detroit's revival, because the Big Three were forced to produce high-quality, fuel-efficient cars customers actually demanded.

This upbeat story requires, in part, that the House preserves the Senate's strengthened CAFE provision. A similar provision never made it into energy legislation signed by President George H.W. Bush in 1992 -- a missed opportunity to move America toward energy independence.

Assuming Congress keeps stronger CAFE standards alive, another President Bush will have a chance to make energy policy that's smart for America and good for the planet.

*Matthew R. Auer is a professor of Public & Environmental Affairs at Indiana University.*

## **H. STERLING BURNETT: Imposing mileage standards is a morally bankrupt public policy**

WASHINGTON -- Let's hope that the House does not follow the Senate's lead and dramatically raise Corporate Average Fuel Economy standards across the board.

Raising CAFE standards will only accomplish two things: eliminating consumers' freedom of choice concerning the types of vehicles they can drive; and placing drivers at greater risk of serious injury or death in the event of an accident.

None of the senators has ever designed a car and sold it in the marketplace for a profit, yet they see fit to tell the entire automobile industry what is possible.

Even Toyota, the company touted as having the line of cars with the highest fuel economy, fought raising CAFE standards from their present two-tiered approach of 27.5 mpg for cars and 22.2 mpg for light trucks to the Senate's 35 mpg mandate for both sets of vehicles.

People can choose fuel-efficient cars if they want them. There are more than 60 car models sold today that get more than 30 mpg and more than 30 that get more than 40 mpg.

None of these vehicles are best-sellers, because most people choose vehicles based on factors other than fuel economy.

People want air conditioning, automatic transmission and comfort in vehicles that give them the ability to haul multiple passengers with legroom and headroom to spare, quick acceleration for passing and merging onto the highway, the ability to haul heavy loads, trailers and boats and safety in an accident.

The laws of physics indicate that these traits require vehicles of a certain size and weight with high-powered six-cylinder or big V-8 engines.

Toyota and other car makers recognize what the Senate seems oblivious to -- you can get good fuel economy or you can get power, comfort and room, but you can't have both, and the public wants the latter more than the former.

Besides reducing consumer choice, the Senate's CAFE standards will also result in needless deaths and serious injuries on the nation's roads and highways.

Improving fuel economy is primarily achieved by reducing the size and power of vehicles. Downsizing comes at a cost to safety.

As consumer advocate Ralph Nader stated in 1989, "larger cars are safer."

Researchers at Harvard University and the Brookings Institution found that, on average, for every 100 pounds shaved off new cars to meet CAFE standards, between 440 and 780 additional people were killed in auto accidents -- or a total of 2,200 to 3,900 lives lost per model year.

And using data from the National Highway Traffic Safety Administration and the Insurance Institute for Traffic Safety, USA Today calculated that size and weight reductions undertaken to meet current CAFE standards had resulted in more than 46,000 deaths.

The Senate's defense for this indefensible policy is that it wishes to reduce gasoline consumption and thereby reduce our reliance on foreign oil. Yet, history shows that CAFE will not do this. Since 1974, domestic new car fuel economy has increased 114%, and light truck fuel economy has increased 56%.

At the same time, the share of imported oil has risen from 35% of the oil consumed in the U.S. to nearly 60%. Improved fuel economy makes it less expensive to drive.

When driving becomes cheaper, almost everyone does more of it. Indeed, people drive more than twice as many miles today than 1974.

Raising CAFE standards will not decrease U.S. reliance on foreign oil, but it will result in more driver and passenger fatalities and reduce consumers' freedom.

The CAFE standard is a morally bankrupt public policy -- an experiment that has killed almost as many people as the number of military personnel lost in the Vietnam War. It's time to end, not expand CAFE.

*H. Sterling Burnett is a senior fellow and energy expert at the National Center For Policy Analysis, a nonpartisan free market think-tank.*

[Visalia Times-Delta editorial, Monday, July 23, 2007:](#)

## **The Trouble With Oil It's a Whole Bunch More Trouble than with Ethanol**

Visalia - Our friends at the Times Delta blasted ethanol the other day in a front page story with no input or reaction from the local ethanol industry, which as any reader of the Valley Voice knows is growing rapidly here. Times Delta titled their piece—"The Trouble With Ethanol." The story is based on one researcher—Mark Jacobson's work that uses futuristic 2020 projections from emissions from E-85 vehicles that can use a mix of 85% ethanol with 15% gasoline. Jacobson's study suggests if all cars ran E-85, it would have a negative impact on ozone formation of less than 2ppb (quite small) compared with gasoline. Other scientists disagree with the prediction. In addition, the results of the study show the biggest problem cited by professor Jacobson is with potential acetaldehyde emissions. If this is really a problem, why is there no hope E85 vehicles out there could be fixed by more stringent standards?

Using current data—not projected for the year 2020—the Air Resource Board has recently researched and modified their state standard to allow more use of ethanol in gasoline from 5.7% to 10% to take place next year that they argue from numerous studies will improve the air, not the other way around. In addition, it extends California's tight fuel supplies by 10% more than we had before we added ethanol a few years ago, helping to reduce fuel scarcity— doesn't that make sense?

Even Professor Jacobson says in the Times Delta article that the uncertainty of his prediction means that the air quality could be the same as if we were using oil. That projection doesn't seem to allow for our technology and insight to fix any problems he is talking about 13 years from now.

But the real problem with this analysis is that it just doesn't acknowledge the nation has big time trouble with oil dependence. You don't like biofuel—how about oil?

? The cost is skyrocketing and we can't do anything about it.

- ? We are running out of it, meaning the cost will just go higher wreaking havoc across our economy.
- ? It comes from unstable parts of the world not in our control—and increasingly less from nearby.
- ? Relying on oil forces us to send troops to defend the oil wells.
- ? Oil emits a slew of toxic emissions linked to cancer that are a major health problem besides smog.
- ? Locally the oil industry is right next door in Kern County and sends its emissions to Visalia every day.
- ? Oil emissions raise global warming temps changing our weather and fostering new diseases, stronger hurricanes, rising seas and collapsing fisheries just to name a few problems. And we could go on.
- ? Biofuels—ethanol and biodiesel cause none of these calamities. Instead of relying on fossil fuels for our energy there has been an explosion of technology and investment in renewables in the past few years, including solar (world's largest solar farm announced a few days ago in the valley), wind power (have you driven through Tehachappi lately?), hybrid technology (look at all the Toyota Prius vehicles out there) and now biofuels. Given this new technology, a break and don't blow out one of the few promising but small flames of new investment in the valley.

By comparison, biofuels are sustainable—they come from green plants—how bad could they be?

You can grow a new plant every year to make more fuel. You can grow it nearby helping our rural economy providing more jobs. Research will mean that we soon will make ethanol from waste plant material—not planted corn. In fact, such research is happening right here in Visalia (see Valley Voice July 4 article). Likewise, biotech is coming up with oil substitute products instead of petroleum based plastics. This past week, Ford announced it was making soybean-based car seats. Research will quickly provide a way to expand the use of bio products and safely integrate them with other uses. The beauty of ethanol is that we don't have to remake the car industry to produce the transportation industry what we need—cleaner fuel. Likewise for biodiesel to help clean up diesel emissions that are a major contributor to smog and particulate pollution in the valley that gets into people's lungs. Plug-in technology promises to reduce emissions even more—perhaps a hybrid with biofuels as a partner. (Ford has such a vehicle planned.)

Locally, investment in new technology in our area amounts to multiple millions of dollars that may help save our farm-based economy with new crops, help cut air pollution from dairies with plans for several biofuel plants using biomass waste from dairies on the drawing board (one near Corcoran) by our count four ethanol plants running or in the works in Tulare County, at least one in Kings that will raise the tax base by hundreds of millions of dollars.

It makes no sense to slam ethanol but to encourage its development locally and demand that it be as clean burning as possible. Professor Jacobson's concerns should be addressed and fixed but don't back away from a more sustainable plant based economy. One source for July 5 story on ethanol on our front page, Kent Kaulfuss sent the letter below to the Times Delta about the article and we include it here.

[Tracy Press editorials, Sat. July 21, 2007:](#)  
**Prompt action for population.**

This melting pot we call California will add an estimated 22 million more people by 2050 to reach 59.5 million. San Joaquin County will almost triple its population in the next 43 years, increasing from 690,102 today to 1,783,973 in 2050 — the equivalent of adding a San Jose.

Our local and state elected officials should concentrate immediately on the needs of future Californians. Will there be enough roads, transit systems, hospitals, libraries, schools and homes

for all of them? Will the air be clean enough to breathe, the soil rich and plentiful enough to cultivate and harvest crops and the lakes, rivers and streams pure enough to draw water, fish and navigate for recreation?

What will Tracy and San Joaquin County resemble in 2050? Another San Fernando Valley, where the identity of communities is lost with wall-to-wall subdivisions connected to each other by Starbucks coffee shops and strands of freeways? Tracy's new general plan, adopted last year, has a 20-year vision, though critics say its expansiveness makes it a 90-year growth map. But it's missing vital pieces — its implementation plans and developer fee schedules.

Today's elected officials can demonstrate to the next two generations of Californians and Tracyites that they have learned from past mistakes and are prepared to provide more open space and passive parkland and protect our dwindling farmland from even further development. Two tests of their responsibility are: the Tracy City Council moving more rapidly with public hearings and adoption of elements of the revised general plan like transportation, open-space and parkland; and the Legislature, in approving a new state budget, refusing to tinker with revenue enhancements that go to counties with farmland protected by the Williamson Act.

It would be a mistake to put California's population projections on a shelf to gather dust. Inaction will leave future Californians with the unenviable task of solving the problems associated with an explosion of people about whom we have been duly forewarned.

### **Have knowledge, lack courage.**

A dispatch Sunday in the Washington Post about climate change worries us about the narrow-mindedness of some of our congressional representatives. Mankind has the technological know-how to reduce greenhouse gas emissions enough to slow the rise in global warming. However, our elected officials haven't the courage to find ways to pay the enormous cost.

As with the energy crisis, too many politicians don't want us to feel the financial "pain" and vote them out of office. Rather, buy a pair of aviator sunglasses and then blame global warming on the Chinese.

[Letters to the Visalia Times-Delta, Monday, July 23, 2007:](#)

### **Article on ethanol was biased reporting**

Recently, the Visalia Times-Delta ran a one-sided article titled, "The Trouble with Ethanol," misconstruing ethanol's environmental benefits. The Jacobson study cited has been refuted by multiple studies. The benefits of ethanol have been widely studied and touted by groups and agencies such as the NRDC, American Lung Association, U.S. Department of Energy and U.S. EPA, who have verifiably found that ethanol reduces pollution and is better for human health.

Ethanol use in the United States has reduced carbon monoxide and equivalent greenhouse gas emissions by approximately 8 million tons, equal to removing the annual emissions of more than 1.21 million cars from the road. Ethanol reduces tailpipe carbon monoxide (CO) emissions by an average of 20 percent, as well as reduces volatile organic compounds (VOCs), which readily form ozone in the atmosphere and secondary particulate matter formation by 50 percent.

In its commitment to minimizing fossil-fuel consumption, the ethanol industry is relying upon corn as the first step in the renewable fuels evolution. Ethanol is not perfect, but it is dynamically evolving and providing significant benefit to California and our environment. Ethanol is the only commercial-ready renewable fuel that Californians can use to immediately reduce the environmental impact of fueling our gasoline cars.

The media need to be held accountable for their reporting. Balanced articles written with integrity that inform the public and provide decision makers with solid information are examples of good journalism. Unfortunately, articles like this leave us longing for good journalism.

*Jeremy Wilhelm, Goshen*

Way to go Visalia Times-Delta! Your sensational headline July 7-8, 2007, "The Trouble with Ethanol" will misinform the public and create one more hurdle for our local ag-based biofuels industry as well as their local vendors, employees and investors. Currently, two local companies, Altra Biofuels-Goshen and Calgren Renewable Fuels-Pixley, will have collectively spent over \$200 million in construction and procurement on these local Tulare County projects.

Your biased article failed to mention extensive contrary research done by, among others, the Renewable Fuels Association (RFA), the United States Department of Energy (USDOE), the National Renewable Energy Laboratories (NREL) and the California Air Resources Board (CARB). As you are aware, after more than ten years of review, just last week CARB approved the use of up to 10% ethanol blend in gasoline. This was only after extensive scientific review and modeling regarding emissions and global warming. Ethanol's replacement of MTBE as an oxygenate was as an environmentally benign substitute for a proven ground and drinking water carcinogenic contaminant that causes damage that is virtually irreparable.

If the Times Delta's true concerns are over public health and welfare, then you have fallen way short in extrapolating the true externalities of a locally-produced agriculturally-based renewable fuels industry vs. petroleum. For example, fewer vehicle miles traveled for fuel transport = less air pollution. Fewer war casualties resulting from energy defense and security for foreign petroleum supplies; more employment to a locally depressed workforce; use of locally generated waste products (cellulosic ethanol production) are only a few.

I personally have been involved for more than 20 years in the local and national arenas developing public awareness and education regarding domestically-produced sustainable renewable energy sources. My company, Wood Industries Company, has been recognized on the national level as a component of the "Biofuels Strategic Plan" USDOE, through our waste-to-resource management of biomass materials for conversion to ethanol. We in the industry view ethanol as a transitional fuel bridging the gap for future technologies, not as a total replacement fuel for gasoline. You have used the power of the press to undermine these local efforts and have propagated damaging public relations toward an already struggling fledgling industry which offers tremendous environmental benefits for the public.

*Kent Kaulfuss*

[Letter to the Tracy Press, Sat. July 21, 2007:](#)

### **Champion of renewables**

At a time when global warming threatens the future of our planet, air pollution is increasing in cities across the U.S. and energy prices spike regularly, we need to put our country on the path to a cleaner and more secure energy future.

The good news is that we can reduce global warming pollution nationwide by harnessing America's vast renewable energy sources like wind, solar, geothermal and biomass power. Renewable energy development is a win-win solution that will create jobs, save money for consumers and reduce global warming pollution.

House Resolution 969, the Federal Renewable Portfolio Standard, currently in committee, will help to ensure that the benefits of clean energy reach every state in the country by requiring 20 percent of the nation's electricity come from clean, renewable sources by 2020. By enacting such a standard, we can cut global warming pollution to a level equivalent to taking more than 89 million cars off the road.

Tracy's congressman, Rep. Jerry McNerney, D-Pleasanton, should be applauded for co-sponsoring this crucial bill and encouraged to continue his work as a champion on the issue of renewable energy.

*Jennifer Engstrom, Sacramento*

[Letter to the Tracy Press, Friday, July 20, 2007:](#)

### **Ethanol policy is enough**

I am opposed to Assembly Bill 118, which funds quality improvement projects relating to fuel and vehicle technologies to reduce greenhouse gas emissions, because:

- n Corn ethanol policy is good for gasoline refiners.
- n Corn ethanol policy increases oil use and profits.
- n The proposed car tax in Assembly Bill 118 is an oil company welfare program.
- n Italy used public/private partnerships as a business model in the early 1940s.
- n The corn ethanol waiver in the 2005 federal energy bill will lower gasoline prices, improve mileage, lower oil use and improve air quality.

Sharing public opinion on Assembly Bill 118 with the folks who make our laws might help.

*Charlie Peters, Beaumont*

[Letter to the Contra Costa Times, Friday, July 20, 2007:](#)

### **Keep trucks off freeways at rush hours**

I have a radical solution to rush-hour commuting problems. My solution would speed up traffic during flow, shorten commute hours, save millions of gallons of gasoline and drastically reduce air pollution.

This radical yet simple solution: Prohibit vehicles of more than two axles from using the freeways during commute hours!

If we can choose which vehicles can use HOV lanes during commute times, we can legislate which vehicles are permitted on the freeways during those times.

Fewer vehicles means greater speeds, less traffic, shorter commutes, increased fuel economy and reduced pollution.

I expect opposition from trucking companies and truck drivers, but think of the advantages to them, too.

Once back on the freeways, they would face less congestion and achieve higher speeds and greater fuel economy.

Drivers could use rest stops or truck stops, have leisurely meals, refuel and catch a couple hours of sleep, cutting down on driver fatigue accidents.

Trucks still at the loading docks could simply park nearby.

Everyone would benefit. Commuters would reduce commute times and save money, the trucking industry would save time and money, the environment would benefit, and tax dollars not spent on roadway widening could be spent elsewhere or even saved.

*Ed Brounstein, El Sobrante*