

The Buzz: Assembly Democrats split over business-backed bill on regulations

By Jim Sanders

The Sacramento Bee and Merced Sun-Star, Mon., Jun. 7, 2010

After a rare floor fight among key Democrats, the Assembly passed legislation last week that could make it easier to challenge future regulations on air, energy and other issues.

The controversy stemmed partly from a business-backed bill's release last week by its author, Assemblyman Felipe Fuentes, from the powerful Appropriations Committee that he chairs despite the fact that policy committees haven't voted on the bill's major amendments.

The measure, Assembly Bill 2529, would create a process in which critics of any economic impact analysis used by four key state agencies in creating new regulations could bankroll an independent study.

Democrats rarely quarrel openly among themselves on the Assembly floor and traditionally side with their leader, currently John A. Pérez, when high-stakes legislation threatens to create caucus fireworks.

Not this time.

After a handful of Democrats complained loudly that Fuentes had violated legislative protocol by sidestepping policy committees, the caucus split on the measure, with its 45-17 passage due largely to GOP support.

Pérez, Fuentes and Assembly Speaker Pro Tem Fiona Ma were joined by 14 fellow Democrats in voting yes, but 15 others voted no and 15 abstained.

Fuentes' measure would apply to regulations proposed by four state agencies that oversee key air pollution and environmental issues: Air Resources Board, Energy Commission, Department of Fish and Game, and the Department of Housing and Community Development.

Biomass could fuel Stockton port plant

By Reed Fujii, Record Staff Writer

Stockton Record, Monday, June 7, 2010

STOCKTON - Conversion of a coal-fired power plant to burn biomass cleared a major hurdle Thursday as state utility officials gave their blessing to the alternate energy project.

The California Public Utilities Commission on Thursday approved a contract under which Pacific Gas and Electric Co. would buy power from DTE Energy, which would install a 45-megawatt biomass facility at the Port of Stockton.

A spokesman for DTE Energy, whose largest subsidiaries are Detroit Edison and Michigan Consolidated Gas Co., said the company will, after a 30-day appeal period following the CPUC approval, move to purchase the now-idle plant from a subsidiary of FPL Group Inc., whose regulated utility is Florida Power & Light Co.

"In the meantime, we've sought an air permit from the San Joaquin Valley Air Pollution Control District. We ... hope to get that later this year," DTE spokesman Scott Simons said.

"If that's the case, we'll start construction next year, and we're expecting it to take about two years," he said. "So we're looking at early 2013 for the plant to be operational."

Deputy Port Director Jeff Kaspar said given the port's access to ocean, rail, pipeline and highway transportation, as well as industrial zoning, it is the logical location for such a development, Kaspar said.

Conversion of the coal-fired plant, known as POSDEF, or Port of Stockton District Energy Facility, to biomass is also a good use of the existing infrastructure, he added. Those assets include connections to the PG&E power grid and existing cooling towers, he said.

Ceres Wal-Mart project gets a twist Company to close one supercenter, build another

By Michelle Hatfield

In the Sacramento Bee, Friday, June 4, 2010

CERES — Wal-Mart's plans to build a supercenter off of Highway 99 could shake up the city's retail scene more than officials anticipated when the Arkansas company proposed the store three years ago.

Wal-Mart says it intends to shut its store at the intersection of Hatch and Mitchell roads when it opens the store at Service and Mitchell roads.

That's a concern for Ceres leaders, who don't want to see a vacant building at Hatch and Mitchell, one of the city's busiest intersections.

"I'm not excited to have our largest traveled and shopped area in town shut down for years and years" until a new tenant is located, Ceres Mayor Anthony Cannella said.

The new plan emerged as Wal-Mart released a 2,500-page environmental impact report describing its proposal for the site at Service and Mitchell. The document details a project called Mitchell Ranch Center, which includes the Wal-Mart and a few other retail options on the 26-acre site.

The report is expected to appear before the Planning Commission and City Council by the end of this year. It's a key hurdle Wal-Mart must clear before it can start construction.

Residents can read the report at Ceres' Web site and give officials feedback.

Ceres leaders long have wanted to develop land at Service and Mitchell into a retail site that could lure shoppers from Hughson, Modesto, Turlock and Keyes. The area runs along Highway 99 and sits close to northbound and southbound off-ramps and onramps.

The environmental study shows that neighbors and government agencies are concerned about increased traffic, noise and [air pollution](#), especially because the proposed supercenter would be open 24 hours a day, seven days a week.

An EIR analyzes the effects of construction projects, such as safety, traffic, noise, harm to wildlife, energy use and destruction of agricultural land. Mitchell Ranch Center's EIR took 2½ years to complete.

The EIR acknowledges that the shopping center could have negative effects on local businesses, roads and air quality.

The project calls for adding two traffic signals on Mitchell Road and widening Mitchell, Don Pedro and Service roads to accommodate the increase in cars and shoppers. Access would come from two driveways each on the three surrounding streets.

Neighbors include an apartment complex and houses north of the project off Don Pedro Road. To combat extra noise, officials plan to build 8-foot-tall noise barriers at the back of Wal-Mart and the other stores. Loading docks would sit below ground level.

The measures reduce noise, but the sound would still reach 42 and 63 decibels, according to the EIR. A vacuum clocks in at about 85 decibels.

"Also, my concern is for the 24-hour part of this. We all know that not too many good people hang out at Wal-Mart at 2 o'clock in the morning and most of them aren't in vehicles, so they're going to be walking through our neighborhoods," said resident Susan Borges at a public meeting in September 2007.

Cannella said those concerns would exist with whatever commercial development takes place on the site, not just for a Wal-Mart.

"I think traffic's more of an issue than noise for some people, but it's a zoned piece of property for development, so the issue is going to be there sooner or later," Cannella said.

More than 8,500 shoppers have signed cards supporting a new Wal-Mart, said Amelia Neufeld, Wal-Mart spokeswoman.

EPA toughens standards on sulfur dioxide pollutant

The Associated Press

In the Merced Sun-Star, Sacramento Bee and other papers, Friday, June 4, 2010

COLUMBUS, Ohio -- The Environmental Protection Agency on Thursday issued a new health standard for the first time in 40 years on sulfur dioxide emissions, a pollutant linked to smog and acid rain blamed for aggravating asthma and other respiratory difficulties.

The EPA said the health benefits of the new rule range from between \$13 billion and \$33 billion annually. These include preventing 2,300 to 5,900 premature deaths and 54,000 asthma attacks a year, according to the agency. The estimated cost in 2020 to fully implement this standard is approximately \$1.5 billion.

"We're taking on an old problem in a new way, one designed to give all American communities the clean air protections they deserve," EPA administrator Lisa Jackson said.

About three-quarters of the SO₂ emissions come from coal-fired power plants and 20 percent from other industrial facilities.

The rule likely means higher costs for some utilities that may need to install equipment, such as scrubbers, to control emissions of SO₂ and other pollutants from coal-fired power plants.

How the rule will affect utilities with coal-fired plants is not exactly clear since states will be able to develop plans to bring areas into compliance with the rule.

Some utilities with older coal-fired units have opted to shut them down instead of investing in new emissions controls because of pending rules.

Progress Energy said last year that by 2017 it will close 11 coal-burning power plants in North Carolina that don't have scrubbers. The company said that the cost to retrofit and operate these plants, more than 50 years old, will increase dramatically because of expected new environmental regulations.

The company plans to build a massive power plant fueled by cleaner natural gas.

Annual average SO₂ concentrations have decreased by more than 71 percent since 1980, the EPA said.

The new standard will be 75 parts per billion, measured per hour. The current standard is 140 parts per billion over 24 hours.

States will have until 2014 to develop plans to bring areas that don't meet the new standard into compliance.