

## **New greenhouse gas rules draw local criticism**

By Seth Nidever

Hanford Sentinel, Wednesday, Oct. 26, 2011

A landmark “cap and trade” system adopted in California last week to limit greenhouse gas emissions is drawing a lot of local comment — most of it negative.

Supporters of the law believe it will create new, cleaner industries over time, and say climate change is a growing environmental threat that can hurt farming in the long run.

But agricultural and political leaders from the area say the state’s groundbreaking law to limit global warming gases is going to cost Kings County jobs, result in higher food costs and lead to higher utility bills.

“One way or the other, it’s going to affect the guy at the bottom, and that’s the farmer,” said Assemblyman David Valadao, R-Hanford, who is also a dairy farmer.

The system requires businesses to buy permits depending on the amount of greenhouse gases they emit. For large polluters, the expensive permits are designed to encourage pollution-reduction measures like plant retrofits. The business then can receive carbon credits that could be sold on the open market. Over time, businesses would be required to pollute less and less until emissions targets are reached.

The program, which begins next year, will be gradually implemented until 85 percent of the state’s emissions are included.

Major food processors such as Leprino Foods, Marquez Brothers International and Olam Tomato Processors Inc. that use natural gas and electricity would be most severely impacted in Kings County.

They say they are concerned that higher energy costs and the cost of buying the carbon permits will put them at a competitive disadvantage.

By 2020, the cost to the approximately 40 large food processors in the state could reach \$128 million, said Rob Neenan, senior vice president of the California League of Food Processors. Neenan said it could cause plants to cancel expansion plans and even consider relocating.

“At a minimum, it’s a zero-growth policy for the state,” she said. “I think it’s going to be hard for these companies to justify major growth.”

Those in the agriculture industry are worried that rising costs to food processors will be passed down to farmers, leaving them with less money for their crops and no way to pass the difference onto the consumer.

“We can’t even pass off one inch,” said Manuel Cunha, president of Fresno-based farm lobby Nisei Farmers League.

Some environmentalists say agriculture could benefit by accumulating carbon credits for growing planting techniques that take carbon dioxide out of the air. Agriculture is exempt from the cap and trade program but could voluntarily cut emissions and potentially sell the credits.

“It’s a unique opportunity for agricultural people in the [San Joaquin] Valley,” said Seyed Sadredin, San Joaquin Valley Air Pollution Control district executive officer. “This I think is huge for the Valley.”

But Cunha sees definite harm outweighing potential benefits.

“Selling credits sounds good, but it comes at a huge cost,” he said.

## **Tulare City School District OKs bus schedule for upcoming year**

By Luis Hernandez

Visalia Times-Delta and Tulare Advance-Register, Wednesday, Oct. 26, 2011

Tulare City School District board members approved Tuesday the bus schedule for the upcoming school year.

The bus route item was approved the second time it came up for board consideration.

As adopted, morning routes 6, 9, 16, 17, 19 and 21 were unaffected, retaining all its stops, while afternoon buses 3, 4 and 21 also remain intact.

Most affected were morning buses 11, with nine stops eliminated, 14 with 6. Afternoon buses with the most bus stops eliminated were 2 and 15, a route that runs east of Tulare.

"Parents know all the changes," said Philip Pierschbacher, the district's director of personnel.

The changes were made based on usage for projected enrollment, Pierschbacher said. And while the changes are final with the board's approval, bus stops can be added or eliminated based on students' usage.

Pierschbacher said parents can contact the school to request additional stops.

That could be the case in the neighborhood east of Mooney Boulevard, north of Bardsley Avenue.

Pierschbacher said there is lot of residential construction in that area and families continue to move there. On average, the district's fleet transports 2,000 students a day. In total, there are 15 bus routes.

Bus routes that pass or end up at schools such as Los Tules and Heritage in Northwest Tulare are the busiest, Pierschbacher said.

"The housing is not quiet there in the area," he said.

To continue providing the bus service, the board retrofitted several buses to meet pollution standards set by the air board district, Pierschbacher said. The district received a \$250,000 grant to pay for the retrofit of the buses' exhaust system.

The district also bought a new bus this year and is expected to continue buying more as attendance and bus usage is expected to grow.

## **Modesto Irrigation District hears algae pitch and income potential**

By John Holland

Modesto Bee, Wednesday, October 26, 2011

Algae that eat pollutants might help keep electricity bills in check in the Modesto Irrigation District.

Tuesday morning, the MID board heard a company's plan to have the tiny plants consume carbon dioxide and nitrous oxide at the district's natural gas-fueled power plant on Woodland Avenue in Modesto.

The process would reduce the cost of emission control and generate byproducts for sale, such as fertilizer and animal feed, said Charles Snyder, president of Paradigm Biosciences International.

The San Francisco-based company proposes to spend about \$100 million on the project, which would include solar panels atop the greenhouses where the algae grow.

"We believe that our process will provide a range of specific benefits to the Woodland plant and MID," Snyder said.

The board took no action, but district General Manager Allen Short said the idea is intriguing. He noted that a far bigger pollution-control cost awaits the MID and its partners in a coal-burning power plant in New Mexico.

"I think we need to look at all options and alternatives," Short said. "We need to look at everything that benefits the ratepayer."

PBI proposes that the MID invest about \$7.5 million upfront. It would be reimbursed after financing for the complete project is arranged.

The company estimated that the district could make \$13 million to \$16 million a year from the operation. This would include the sale of waste heat from the gas plant to help run the algae process. It also would involve the sale of credits via a system that promotes renewable power.

The operation would employ 50 to 60 people directly and generate as many as 204 jobs in the regional economy, according to PBI. It would occupy about 30 acres south of Woodland between Highway 99 and North Ninth Street.

Power suppliers are under pressure to reduce nitrous oxide, a component of air pollution, and carbon dioxide, believed to be causing global climate change.

PBI would capture these substances and feed them to algae in a "dark phase bioreactor." The algae then would go through a "light phase" and into a slurry storage tank. The slurry would be processed into feed and fertilizer, with any leftovers fed back into the process.

The company is about to complete a demonstration project at the former McClellan Air Force Base near Sacramento, Chief Executive Officer John Dutton said. It proposes a demonstration phase for the MID next year and full operation by 2014.

"We all want clean air, but we've got to do it economically," Dutton said.

The solar project would generate 14 megawatts of power. PBI officials said they would negotiate for the MID to buy the system at a "below-market" price.

It would be the second large solar project in the district. The first is a 25-megawatt system about to rise on north McHenry Avenue.

## **'Too dirty to fail'?**

### **House Republicans' assault on our environmental laws must be stopped.**

By Lisa P. Jackson

Los Angeles Times, Friday, October 21, 2011 (Also in the Hanford Sentinel)

Americans must once again stand up for their right to clean air and clean water.

Since the beginning of this year, Republicans in the House have averaged roughly a vote every day the chamber has been in session to undermine the Environmental Protection Agency and our nation's environmental laws. They have picked up the pace recently — just last week they voted to stop the EPA's efforts to limit mercury and other hazardous pollutants from cement plants, boilers and incinerators — and it appears their campaign will continue for the foreseeable future.

Using the economy as cover, and repeating unfounded claims that "regulations kill jobs," they have pushed through an unprecedented rollback of the Clean Air Act, the Clean Water Act and our nation's waste-disposal laws, all of which have successfully protected our families for decades. We all remember "too big to fail"; this pseudo jobs plan to protect polluters might well be called "too dirty to fail."

The House has voted on provisions that, if they became law, would give big polluters a pass in complying with the standards that more than half of the power plants across the country already meet. The measures would indefinitely delay sensible upgrades to reduce air pollution from industrial boilers located in highly populated areas. And they would remove vital federal water protections, exposing treasured resources such as the Gulf of Mexico, Lake Erie, the Chesapeake Bay and the Los Angeles River to pollution.

How we respond to this assault on our environmental and public health protections will mean the difference between sickness and health — in some cases, life and death — for hundreds of thousands of citizens.

This is not hyperbole. The link between health issues and pollution is irrefutable. Mercury is a neurotoxin that affects brain development in unborn children and young people. Lead has similar effects in our bodies. Soot, composed of particles smaller across than a human hair, is formed when fuels are burned and is a direct cause of premature death. Nitrogen oxides and volatile organic compounds contribute to the ozone alert days when seniors, asthmatics and others with respiratory problems are at serious risk if they do nothing more dangerous than step outside and breathe the air.

"Too dirty to fail" tries to convince Americans that they must choose between their health and the economy, a choice that's been proved wrong for the four decades that the EPA has been in existence. No credible economist links our current economic crisis — or any economic crisis — to tough clean-air and clean-water standards.

A better approach is the president's call for federal agencies to ensure that regulations don't overburden American businesses. The EPA has already put that into effect by repealing or revising several unnecessary rules, while ensuring that essential health protections remain intact.

We can put Americans to work retrofitting outdated, dirty plants with updated pollution control technology. There are about 1,100 coal-fired units at about 500 power plants in this country. About half of these units are more than 40 years old, and about three-quarters of them are more than 30 years old. Of these 1,100 units, 44% do not use pollution controls such as scrubbers or catalysts to limit emissions, and they pour unlimited amounts of mercury, lead, arsenic and acid gases into our air. Despite requirements in the bipartisan 1990 Clean Air Act amendments, these facilities have largely refused to control their emissions — creating an uneven playing field for companies who play by the rules and gaming the system at the expense of our health.

If these plants continue to operate without pollution limits, as a legislative wish list from House Majority Leader Eric Cantor (R-Va.) would allow, there will be more cases of asthma, respiratory illness and premature deaths — with no clear path to new jobs.

By contrast, the nation's first-ever standards for mercury and other air toxic pollutants which the EPA will finalize this fall — and which the Republican leadership aims to block — are estimated to create 31,000 short-term construction jobs and 9,000 long-term jobs in the utility sector through modernizing power plants. And the savings in health benefits are estimated to be up to \$140 billion per year by 2016.

Contrary to industry lobbying, this overhaul can be accomplished without affecting the reliability of our power grid.

Our country has a long tradition of treating environmental and public health protections as nonpartisan matters. It was the case when President Nixon created the EPA and signed into law the historic Clean Air Act, when President Ford signed into law the Safe Drinking Water Act and when President George H.W. Bush oversaw important improvements to the Clean Air Act and enacted the trading program that dramatically reduced acid rain pollution.

Our environment affects red states and blue states alike. It is time for House Republicans to stop politicizing our air and water. Let's end "too dirty to fail."

*Lisa P. Jackson is the administrator of the U.S. Environmental Protection Agency.*

[Sacramento Bee Editorial, Monday, Oct. 24, 2011:](#)

## **Regs Run Amok: A bumper crop of bureaucracy**

By Foon Rhee, Associate Editor

Farmers must live with plagues of uncertainties – pests, crop prices, labor shortages and, of course, the weather.

Listen to a family farmer in California like Doug Brower, and there's a whole other reason it can be such a struggle: a tangle of regulations.

Brower splits his time between Folsom and the Uhrhammer homestead hard by the Merced River south of Turlock, where he grows almonds and walnuts on 40 acres. His wife's family moved there just after World War II. Since he retired from 30 years as a military contract officer, Brower has been spending more time on the farm. Since his father-in-law passed away last October, he has taken over running it.

The more he's learned about all the government rules he's supposed to follow, the more frustrated he has become. By his count, the farm is subject to at least a half-dozen local, state and federal agencies.

There's the state Water Resources Control Board, which wants to know how much water he's pumping out of the river to irrigate his orchards. The orchards have rights to about 405 acre-feet of water a year. Since he can't afford fancy monitoring equipment, he mostly guesstimates his monthly diversions, but stays well below the limit.

There's the state Department of Pesticide Regulation, which requires reports on what he sprays to protect his almonds from the navel orangeworm and walnuts from the husk fly and codling moth. If he didn't do it

himself as a state-certified applicator, and had an employee spray instead, there would be many more safety rules to worry about.

There's the San Joaquin Valley Air Pollution Control District, which issues the permits he has to get to burn pruned limbs and other agricultural waste.

There's state and federal Occupational Safety and Health and the state Employment Development Department, which want paperwork for the farm's one full-time worker.

Until he found out at a seminar that he didn't have enough fuel to qualify, Brower thought he'd have to come up with a Spill Prevention Control and Countermeasure Plan for his above-ground petroleum tanks.

His home office is strewn with bulging files as he tries to keep track of all the requirements and when he's supposed to submit reports.

"I'm trying to do the right thing," he told me as he steered a beat-up golf cart through neat rows of nut trees.

Brower says farmers like him are expected to know about every regulation issued by any government agency that might somehow apply to them. That's impossible, he says.

He worries that an inspection to the very letter of the law would lead to "bureaucratic gotchas" and big fines that could put him out of business. "That's the real danger to the little guys," Brower says.

Wanted: Younger farmers

Purely by coincidence, on the same day last month that I toured Brower's orchards, the state Board of Food and Agriculture convened in Winters to talk about how to interest younger people in farming and ranching. The average age of California's 130,000 farmers and ranchers is nearing 60, and officials worry about who will replace them when they retire or pass away.

While huge corporate operations get lots of attention, it's still small and medium-size ones that will determine the fate of agriculture in California. Of the 81,500 farms and ranches, three-fourths sell less than \$100,000 of crops or commodities.

The regulatory burden should be a big part of the discussion. Corporate farms can afford to hire people to fill out forms and track compliance. It's the small farmer scraping by we should be worrying about.

And regulations are helping push the consolidation into bigger farms by raising costs and driving family farmers off the land, says Paul Wenger, president of the California Farm Bureau Federation.

He says it's getting very difficult for farmers whose livelihood depends on what they produce on a few hundred acres. Those who are struggling face a dilemma: They can sell out to big corporate farms, or get bigger themselves. Or they can become smaller and grow organic or boutique produce.

"The irony is we want new people to get into farming, but they can't get into it a smaller way," Wenger told me. "Because of the regulatory environment, we're making people either get really small, or really big."

Regulations are more burdensome in California than other farming states, he says. It's especially annoying when rules conflict with each other.

The Wenger family's century-old farm near Modesto has 450 acres mostly in almonds and walnuts. During harvest time, he's required to keep down the dust. So this month, he says he went looking for a 2,000-gallon water truck and found a nice 2000 Sterling that fit the bill.

But he ran into a roadblock: the dealer in Stockton couldn't sell it to him without costly modifications because of California Air Resources Board regulations cracking down on emissions from diesel trucks. So far, Wenger is having trouble finding a gasoline-engine water truck that isn't an antique.

"I can't even buy a truck. It's just crazy," he told me.

Most farmers, Wenger says, just want all the regulators to get in the same room, agree on the result they want and issue straightforward rules. If farmers violate the guidelines, then penalize them, but don't make them somehow prove they will never do anything wrong, he says.

The farm federation has an entire Web page devoted to issues and regulations, including air quality, food safety, land use, transportation and water diversions.

The state Department of Food and Agriculture also has an entire section on its website devoted to proposed and pending regulatory changes that might affect farmers. They're listed alphabetically – everything from the repeal of maturity standards for Granny Smith apples to proposed changes in the terms of service for the Milk Inspection Advisory Committee to a declaration that the entire state is an eradication area for the European grapevine moth.

Top official hears gripes

Karen Ross, the department's new secretary, says all kinds of farmers complain to her all the time about the number of agencies and the amount of paperwork they have to deal with. "It doesn't matter where I go in the state, it's the first or second thing out of their mouths," she told me.

She's also troubled that among prospective new farmers, young people in farm families seem to be the least optimistic, in part because of their parents' grumbling about regulations.

Since many regulations come from other agencies, Ross says it's a top priority to work with them to get rid of conflicting or duplicative rules so the state's business climate for farmers is as friendly as its growing climate.

Officials need to get cracking on that effort.

Agriculture can be a vital cog to help the Central Valley and other farm-rich parts of California climb out of the recession. It remains the nation's leading farm state with \$35 billion in cash receipts in 2009. When that money is made by small farmers, it's more likely to recirculate through the local economy.

Almonds were a \$2.3 billion crop in 2009 in California, ranking it fourth among agricultural commodities. Walnuts, at more than \$738 million, ranked 12th. California leads the nation in the production of both; almonds were the state's top agricultural export in 2009, while walnuts ranked fifth.

The weather has mostly cooperated, so it's looking like a good year for almonds and walnuts.

The Uhrhammer orchards produced 42,000 pounds of almonds and a good walnut crop as well. The profit could reach \$80,000 this year.

The farm typically clears \$50,000 or so, so the four family partners don't rely solely on it for a living. They keep the orchards as much to keep the tradition and to have a nice place in the country. The small farmhouse fronts El Capitan Way (so named because years ago, before the smog, you could see all the way to Yosemite, Brower says).

The land's highest value, however, is for development. That's obvious from just looking at all the subdivisions that sprouted from former fields up and down the Central Valley during the housing bubble.

Five years back, they almost did sell the almond orchard for more than \$700,000 to someone interested in building a riverfront home. However, the zoning approval got hung up, the housing market crashed and the deal fell through. An appraisal last October put the value of the house at \$130,000 and the orchards at \$640,000.

Brower, 64, would like to keep farming until he's 75 – if his health allows and if keeping up with regulations doesn't become too much of a pain.

He has made himself a vow: The day he has to spend more time filling out paperwork than driving his tractor is the day he quits.

Can't say I blame him.

[Bakersfield Californian, Commentary, Wednesday, Oct. 26, 2011:](#)

### **CARB's cap-and-trade plan needs close monitoring**

By Jean Fuller

Whether one is a skeptic that man-made carbon emissions are killing our planet, or a dyed-in-the-wool Al Gore believer in the carbon dioxide phenomenon, you should be very concerned about the California Air

Resources Board's recent adoption of the cap-and-trade rules designed to help the state comply with AB 32, the greenhouse gas emission reduction law that required carbon emissions be cut to 1990 levels by 2020.

Cap and trade represents just one tool that CARB is employing to comply with AB 32 and California will soon be the first state in the nation to limit emissions from electric utilities, transportation, major manufacturers and many other industries.

Under the final version of cap and trade, California's carbon-intensive companies will have to begin reporting on their emissions in January. In 2013, participants will need to comply with binding emissions caps and purchase additional carbon allowances if they exceed those caps. In theory, those carbon allowances could be traded so that businesses can consider what options are the most cost-effective in reducing emissions.

Unfortunately, rather than easing into a cap-and-trade scheme, CARB has set a demanding emissions cap and tight limits on the carbon offsets which will have a negative impact on our already-struggling California economy. This proposal amounts to a 10 percent withholding of emission allowances and represents a tax on business that will lead to more job and production losses.

California companies will immediately be put at a 10 percent competitive disadvantage over surrounding states, tempting companies to simply move across the border. This "leakage" of jobs and manufacturing will just exacerbate our state's economic troubles and lead to fewer and fewer tax revenues in the state coffers while not achieving the "global" carbon emission reductions that it portends to.

For industries that can't move, such as agriculture, the cap-and-trade program will have a significant impact because of the utilization of products and services from many of the entities subject to the new regulations. Fuel and electricity providers and food processors will be forced to pass along their price increases to achieve their emission reductions. And California farmers who now compete in the global marketplace will be put at a further competitive disadvantage when the new cap-and-trade taxes on food processors take effect.

There might not ever be a good time to implement a cap-and-trade scheme like the one CARB just adopted, but with unemployment hovering at 12 percent in California and as high as 30 percent in parts of the Central Valley and High Desert areas, now certainly doesn't seem to be the time for this experiment. We like to say we're on the cutting edge here in California -- whatever we do will lead the way for the rest of the world. But I'm not sure our state can continue to survive being the petri dish of the nation. In Sacramento, the Legislature will need to provide oversight to ensure that these new rules don't have the impacts that some predict. I know I'll be watching closely.

*State Sen. Jean Fuller, R-Bakersfield, represents California's 18th Senate District.*

