

## **Air officials insist Valley improving; others disagree**

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The Valley's summertime air is dangerous at times -- 91 ozone violations and counting this year. And you're paying a \$29 million annual fine for failing to clean it up faster.

The best reasons to clean up the Valley's air: The corrosive gas triggers asthma and other lung illnesses. Sometimes, it kills people before their time.

So, are you any better off now than you were 10 years ago? Yes, say government watchdog agencies. Not really, say environmentalists, health advocates and community activist groups.

More than 40 percent of a key ozone-making gas, NOx, is gone. Also gone are terrible years such as 2002, when smog sieges created a lung-searing 89 violations in Merced County.

Now, as this ozone season winds down, the air here still is not healthy.

Fresno and Bakersfield continue to appear in the American Lung Association national rankings among the five cities most polluted by ozone. Merced is No. 10 on that list.

Unfortunately, the 25,000-square-mile Valley is a friend to ozone, more so than almost anywhere in the country.

The recipe for creating ozone reads like a Valley profile: You need heat, sunlight, stagnant air, NOx (oxides of nitrogen) from cars and trucks, and pollutants coming from dairies, gasoline and other sources. And because the Valley is a gigantic bowl, it often traps ozone for days.

The air quality in Merced isn't as bad as in Fresno and other areas farther south because conditions get worse deeper into the Valley, said Seyed Sadredin, executive director of the San Joaquin Valley Air Pollution Control District.

This year, Sadredin said, there were eight violations of the tougher one-hour ozone standards in Merced, compared with 89 recorded a decade earlier. And the number of unhealthy air days in Merced during the same period as defined by the Environmental Protection Agency dropped from 23 in 2002 to zero in 2012, he said.

Despite the improvements, Sadredin said, people and businesses in Merced must do everything they can to comply with air quality rules not only for their good, but the good of their neighbors to the south.

The Valley has a long way to go, said Kerry Drake, associate director of the U.S. Environmental Protection Agency's air division in San Francisco.

Still, he sees hope for meeting the cleanup deadline of late 2023 for the eight-hour ozone standard -- an average of ozone readings over eight-hour periods.

"I know it seems hard to believe that we could make it," he said. "But technology, pollution reduction and public awareness have come so far in the last 10 years. It is definitely better now in the Valley."

The air district has passed many of the toughest rules in the nation, among them the pioneering control of pollution coming from agriculture, Sadredin said.

"Despite significant reductions in emissions and even with the toughest air regulations, our challenges are tougher than any other region in the nation," he said.

Activists agree about the challenge, but they say the groundbreaking rules for agriculture and other pollution sources were forced by environmental lawsuits.

Even so, the district wrote rules that are not so tough, said Kevin Hall, executive director of the Central Valley Air Quality Coalition, representing dozens of groups.

For instance, activists five years ago suggested banning the use of old, polluting trucks, cars, boats and commercial equipment on the smoggiest summer days. The district rejected the idea, saying it would be too harsh on business.

"There are too many times when the district board says we can't get something done," Hall said. "We need leadership that says it can be done."

There is also friction between the district and the federal government over the \$29 million annual ozone fine, most of which is paid by registered vehicle owners.

The fine was triggered when the Valley missed the 2010 cleanup deadline for the federal one-hour ozone standard.

Though the standard was abolished seven years ago, federal law still requires attainment. Sadredin said more than 90 percent of one-hour violations have been eliminated.

"We think it's unreasonable to make the Valley pay \$29 million for a few hours of readings over the standard," Sadredin said.

## **Biodiesel production plant in works for Fresno**

By John Lindt, staff writer

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Deserved or not, Fresno is known as the nation's smog capital. But our fuel supply has been getting greener with California gasoline blended today with 10 percent ethanol, up from 5.7 percent, and as of last month, Fresno diesel shipments are being blended with 5 percent biodiesel.

That's what one of the nation's largest fuel pipeline owners and the largest refinery and pipeline operators in California — Kinder Morgan — began doing in August at their key Fresno terminal that connects Bay Area refineries to the mid-state's downstream users.

Kinder Morgan spokesperson Emily Mir said the company began blending "in response to strong interest from ... customers," with the company investing "several million dollars to allow both its Fresno and Colton terminals to blend up to 20 million gallons per year of B100 [biodiesel]. In both terminals, Kinder Morgan has invested in offloading capabilities, Mir said, and is now blending the B100 at a 5-percent ratio into the incoming diesel pipeline that goes to their customers.

In a Kinder Morgan financial report, the company said it is spending \$16.2 million to build biodiesel blending facilities in four Western U.S. cities that include Fresno.

Kinder Morgan is not alone. Major players like Chevron and Exxon are helping to push the new fuel standard to 5 percent biodiesel in response to both federal and state mandates. Kinder Morgan is doing the same in other states. These new rules help the diesel fuel supply to "green up" on both its carbon content to reduce global warming and on the toxicity of its pollutants with vegetable or animal fat-based biodiesel estimated by the Environmental Protection Agency to be 78 percent cleaner than petroleum-based diesel when it burns.

In a move coordinated with Kinder Morgan, Fresno entrepreneur Jeremy Eslinger has filed for a conditional use permit from the city for a 45-million-gallon biodiesel manufacturing facility next to the same Fresno Kinder Morgan terminal on Malaga and Maple avenues west of Highway 99. Eslinger said his start-up company will lease 15 acres for the project from Kinder Morgan to supply biodiesel for blending into California diesel. "We have a memorandum of understanding," said Eslinger, suggesting they hope to get the green light on their CUP application around Oct. 1.

The first phase of the project that is expected to be operational next summer is pegged at about a \$20 million investment, Eslinger said. Construction could start in January.

Plans for the production plant have been in the works for several years, originally slated for a site in Firebaugh. But locating the production plant next to Kinder Morgan is literally a pipeline to the market, and Eslinger's business plan calls for Kinder Morgan to utilize 15,000 gallons a day within six months on the way to gearing up to 135,000 gallons a day. There is no hazardous waste or water use associated with the 18,500 square-foot plant, he said. The facility would employ 48.

Eslinger said the biodiesel would be made from various biomass feedstocks including algal oils, seed oils, animal fats and waste vegetable oils.

Eslinger and family are in the custom-harvest business in Dos Palos, and expect to supply the plant with some Valley grown feedstock — another economic benefit of the project.

Initial production is set at 5 million gallons a year in what will be a three-phase project offering a "continuous supply" of biodiesel for Kinder Morgan to pass on to their customers, which include Chevron, Shell, Valero, Conoco Phillips and Tesoro, according to Eslinger's application. As with ethanol blends, the industry wants a standard blend that will go to most customers.

Eslinger believes teaming up with Kinder Morgan will help cut transportation costs to customers. Cutting costs will help keep the price of biodiesel — a few cents higher than diesel — from getting out of hand, he said.