Activists Challenge Air-Pollution Plan
(Published in the LA times by Times Staff and Wire Reports)
December 18, 2003

The San Joaquin Valley Air Pollution Control District staff's plan to recommend that the valley voluntarily move into the country's worst-offender category — a slot filled so far only by Los Angeles — is being challenged by environmental activists.

The move would allow the smog cleanup deadline to be pushed back from 2005 to 2010, while allowing the valley to evade millions of dollars in business penalties, and to keep a $2-billion fund to build roads.

Activists are saying that air authorities have not fully investigating the consequences of the move.

Bush Team Announces Last Phase of Pollution Control Plan
By Elizabeth Shogren, Times Staff Writer
(Published in the LA Times - December, 18, 2003)

WASHINGTON — Announcing the second of its two steps to overhaul the way the Clean Air Act forces power plants to cut pollutants, the Bush administration on Wednesday proposed a market-based, cap-and-trade system to reduce emissions from electric utilities in the East and the Midwest.

"The pollution cuts we propose today will help states and cities across the nation achieve national, health-based air-quality standards," Environmental Protection Agency Administrator Michael O. Leavitt said after signing the proposed rule in St. Louis.

The proposed "Interstate Air Quality" rule, which is scheduled to take effect in 2005, is intended to curb power-plant emissions that significantly pollute the air in states downwind, causing respiratory illnesses and smog.

The rule would reduce sulfur dioxide by 72% and nitrogen oxide by 64% from current levels in 29 states and the District of Columbia by about 2018, the EPA said.

Wednesday's action follows an announcement in August that the Bush administration was easing a provision of the Clean Air Act that forced power plants to install modern pollution controls whenever they made any significant modifications that would result in increased pollution.

The two actions, neither of which required congressional approval, represent an effort by the Bush administration to accomplish through regulation what it has been unable to gain legislatively. The administration's clean-air legislation, known as "Clear Skies," has stalled in Congress because many Democrats and some Republicans say it is too weak.

The utility industry generally endorsed the administration's approach, but it was cautious about some of the details and stressed that a legislative solution would be preferable.

"The best course of action will guarantee significant and quick emissions cuts, while minimizing the footprint left on consumers' electricity bills," said Dan Riedinger, a spokesman for Edison Electric Institute, a Washington-based utility association that lobbies on behalf of the industry. "In that regard, 'Clear Skies' remains preferable to the new rules."

Environmentalists said the policy changes would result in a slower cleanup of the air than current law requires.
"The transport rule does not provide deep and timely enough pollution cuts to enable states to achieve clean air by the time the Clean Air Act requires," said John Walke, a lawyer for the Natural Resources Defense Council, a national environmental group.

Most states will be required to improve their air quality over the next decade to meet new health-based standards for ozone and fine particulates.

Under the proposal, states could choose to reduce emissions by requiring power plants to participate in an interstate cap-and-trade program or by adopting their own pollution-reduction plan. The states would be required to meet the first emissions reduction target in 2010 and the second in 2015.

The EPA estimated that the rule would cost utilities more than $5 billion in pollution controls but would result in more than $80 billion in health and environmental benefits.

If they opted for the trading program, EPA would give each state emission allowances for each pollutant. The states would distribute those allowances to power plants, and plants that reduced pollution faster could trade their allowances for cash with plants that lagged.

The utility industry likes the cap-and-trade approach, but it prefers that it be adopted as part of a legislative initiative that would provide them with relief from existing Clean Air Act regulations.

While urging the EPA to make even deeper cuts in pollution, some environmental activists acknowledged that the proposal was a move in the right direction.

"EPA's proposal to cut interstate power-plant air pollution must be strengthened to fully protect public health," said Fred Krupp, president of Environmental Defense, a national environmental group. "However, EPA is taking an important step forward in the nation's fight against air pollution by moving to require substantial reduction" of nitrogen oxides and sulfur dioxides.

Jeffrey Holmstead, assistant EPA administrator for air programs, said the agency projected that the proposed rules would enable 90% of the affected counties to meet the air-quality standards by the 2015 deadline. Most of the other counties would be able to meet their deadline by additionally controlling local pollution sources, he added.

California, which does not receive much pollution from other states, is not expected to take more time to meet the new air-quality standards.

"This is the biggest thing we could ever do," Holmstead said in an interview. "This is far and away the biggest reduction of air pollution that EPA has ever done through regulation."

Earlier this week, the administration announced a cap-and-trade program aimed at reducing mercury emissions from coal-fired power plants, another piece of the "Clear Skies" proposal.

Efforts to control power-plant pollution are important for public health; as of 2001, the EPA said, power plants were responsible for 69% of the sulfur dioxide and 22% of the nitrogen oxide emissions nationwide.

Emissions of nitrogen oxide and sulfur dioxide can be transported by wind, causing environmental and health problems hundreds of miles from the sources. They contribute to fine particles, which pose serious health risks, including exacerbating asthma and causing tens of thousands of early deaths annually among people with heart and lung ailments, the EPA said.

Power-plant pollution also contributes to ground-level ozone, a respiratory irritant that aggravates asthma and other lung illnesses.
Federal air authorities are no longer blocking construction of the state's eighth-largest power plant in west Fresno County -- where 500 tons of pollution would be added annually to the hazy San Joaquin Valley.

The $550 million Calpine Corp. project in the city of San Joaquin has the backing of the California Energy Commission staff, which last year, on the basis of federal air concerns, balked at the proposal.

The project was snagged on a decade-long dispute between the U.S. Environmental Protection Agency and Valley air officials over accounting for pollution. The EPA and local officials have settled the conflict, but the agreement raises eyebrows among environmentalists who wonder whether the nation's second-worst air basin will just get dirtier while growth continues.

"This is an alarming reversal," said Caroline Farrell, a Delano-based lawyer for the Center on Race, Poverty and the Environment. "This accounting discrepancy has been going on for many years, and it's suddenly settled. I don't understand it."

Construction may not come anytime soon, though. A Calpine official said there is no timetable for the so-called San Joaquin Valley Energy Center, which could light 1 million homes, boost county tax income and provide 300 construction jobs over a two-year period.

Project manager Mike Argentine said Calpine corporate officials will take a hard look at financial conditions and decide when construction will take place.

"There's no final decision yet from the commission," he said. "But I don't think there's anything in the staff's recommendations that will keep the project from moving forward."

The commission will conduct a public hearing Tuesday in Sacramento on its proposed support. Written comments will be received until Jan. 5. A commission vote on the licensing of the power plant is tentatively scheduled for Jan. 7, and approval is expected if there are no further challenges.

A favorable vote did not appear likely a year ago, when the commission received air quality guidance from federal authorities.

Documents show the plant would emit 20 times more pollution than the threshold for status as a major source. And the EPA wasn't buying the pollution reduction approach being offered by local air officials.

Though there are larger pollution sources in the Valley, the plant would be a significant new source at a time when the area's air problem is under a microscope.
So why did federal air authorities change their minds? EPA officials said Valley air officials showed regional air quality goals would be achieved, even with the addition of the power plant.

"We are in agreement with the Valley air district about the bigger target," said Matt Haber, acting deputy director of EPA's regional air division. "We are satisfied that the Valley is keeping its air quality goals."

Translation: The plant's pollution would be offset by other cleanup and reduction measures.

That has long been the approach of the San Joaquin Air Pollution Control District. Officials said they have added wording to cleanup plans, assuring EPA that clean-air goals will be met or more reductions would be found in the future.

"We have shown that we will continue to get as much or more reductions on a yearly basis as we need to get," said Seyed Sadredin, director of air district permit services.

The explanation revolves around economic development and growth in a fouled air basin with the use of "emission reduction credits." Such credits are ownership rights to pollution that has been removed from the air.

Businesses earn credits by reducing pollution through cleaner technology, phasing out older equipment or other means. In the past decade, oil businesses in Kern County reduced many tons of pollution with new technology, creating many credits for themselves.

The credits then can be sold to new or expanding businesses, which must buy more than 1 ton of credits for each ton of pollution they produce in the Valley.

The process sounds as if businesses are "paying to pollute," but air officials argue the credits clean the air because not every ton of reduction is sold. If a credit or a ton of pollution is retired instead of being sold, it has been removed from the Valley's air.

When the Calpine project came before the energy commission last year, the EPA raised a continuing objection to the Valley air district accepting credits dating back before 1990, the year officials use as a baseline or starting point for annual emissions in air cleanup plans.

Federal officials contended credits created before 1990 were invalid. The reasoning: Since the pollution for the credits had already been removed before the baseline total was established, the old credits couldn't be claimed again. That would be double dipping.

If too many of the older credits were used in a year, the EPA felt the Valley could not show enough reductions in pollution to meet clean-air goals.

EPA's position affected about half of the Valley's credits, district officials said. The Valley has banked more than 7,000 tons of credits for ozone-making gases, and the credits sell for up to $30,000 apiece.

EPA ultimately agreed that an older credit could be used if it was simply considered as a zero in the accounting system, and the real reductions were made up from other sources.

The Valley air district is more stringent than federal rules require and should have enough credits to make the required annual reductions, explained district permit director.
Valley's air nothing to be proud of
By Bill McEwen
The Fresno Bee
(Published Thursday, December 18, 2003, 5:15 AM)

Today the central San Joaquin Valley, which likes to think of itself as America's fruit basket, will get a new title: heavyweight champion of bad air.

We're the worst of the worst, and that's not good.

Our only consolation is that we're not the undisputed holder of a title no one wants. We're going to share it with metropolitan Los Angeles, a region synonymous with smog and sprawl.

I'll leave it to the scientists to decide whose air is more corrosive. In laymen's terms, our air is consistently rotten; the air in Los Angeles varies, depending on the season, from good to grab-your-oxygen-mask.

We won't get our chunk of the title, of course, unless the San Joaquin Valley Air Pollution Control District says the eight-county area it serves has no chance of meeting clean-air standards in 2005 and requests that the deadline be extended to 2010.

But, barring a last-minute change in thinking, the district's board of directors is expected to request today that the area move into the worst-polluter category, alongside Los Angeles, thus staving off federal intervention.

I have a few predictions.

Before the board votes, the air pollution establishment -- and by that, I mean air district employees and lobbyists from agriculture, oil and construction -- will say that this is a logical step and the only prudent option.

They'll make it sound as if there's nothing really wrong with our air.

I guarantee a big-business flunky with a science degree of some sort will say the media have it all wrong because Valley air is really improving.

Know what?

Our air is getting better. But it's still the worst in the nation and years removed from meeting the national standards for healthy living.

Instead of inspiring group hugs and pats on the back -- I'm sure Fresno County Supervisor Judy Case, who sits on the air board, will be leading the self-congratulatory cheers -- today's expected action should be additional cause for alarm.

We have refused to address our air problems for decades, choosing to put the economy and growth first, or blaming the pollution on our unique geography and Bay Area wind currents.
The reality is we're exporting our pollution to the mountains. In fact, a monitoring station in Sequoia National Park has had more bad-air readings than the one in downtown Los Angeles.

And this month, the U.S. Environmental Protection Agency announced that it was adding four mountain counties -- Amador, Calaveras, Tuolumne and Mariposa -- to the Valley pollution control district.

The reason? They don't meet new, stricter federal ozone standards because of the bad air we send their way.

Because of the Valley's unique geography, we need innovative solutions, not the business-as-usual approach the air board favors. Scary as it sounds, we might benefit from federal intervention.

A final prediction: Sometime before 2010, the air board will announce the Valley can't meet federal standards, and the board will seek another delay.

By then, we will have cemented our reputation as the heavyweight champion of pollution. When it comes to bad air, we can't be beat.

The columnist can be reached at bmcewen@fresnobee.com or 441-6632.

Valley could buy air time
Approval would bring 'extreme' classification
By Laura Florez, Staff writer
(Published in the Visalia Times-Delta - December 18, 2003)

The San Joaquin Valley could become the second place in the nation to get the country's worst air classification if the change is approved by the Valley's air board.

The voluntary move into the country's worst-offender category -- a slot filled only by Los Angeles County so far -- is one that would not only buy the Valley time to clean up its problem with smog, but help the Valley evade millions in business penalties, all the while keeping a $2 billion federal fund to build roads.

"We really don't have much of a choice but to go to the extreme designation," said Tulare County Supervisor Steve Worthley, who sits on the Valley air board. "We cannot come into compliance as we are required to do by 2005."

By voluntarily going to an extreme classification, the Valley extends its 2005 deadline to come into compliance with smog cleanup by five years.

The Valley's air quality is now classified as severe by the Environmental Protection Agency because it ex-ceeds federal health-based standards for ozone, which is the main component of smog.

The San Joaquin Valley Air Pollution Control District staff is recommending that the Valley voluntarily go forward with the move. A coalition of Valley business and agricultural groups agree.

They say the reclassification would be good because if the Valley fails to meet air quality standards under the current severe classification, hardships would fall on residents and businesses, and there would be a federal takeover of air quality programs.

Alternately, some environmentalists aren't happy with that recommendation, said David Jones, planning director for the air district.

They are saying that air authorities have not fully investigated the consequences of the move.
"They've assessed this from an economic standpoint," said lawyer Brent Newell of the Center on Race, Poverty and the Environment. "But what's the effect on public health? Will there be a delay in the cleanup? Where's the analysis?"

Jones said there is nothing that can be done to get the Valley into compliance by 2005. In part, that's because high emitting heavy duty engines have not been well controlled by the EPA, Jones said.

"There are no controls they could adopt immediately to get us to attainment," he said.

Air officials say car exhaust is the Valley's biggest problem, and they can't clean up the air until national fuel and engine standards tighten in 2006 and 2007.

The Associated Press contributed to this report.

Activists say air plan needs work
(Published in the Modesto Bee - December 17, 2003)

Activists are accusing air authorities of not fully investigating the San Joaquin Valley's expected move into the country's worst-polluter category alongside smoggy Los Angeles.

The decision on the move, which the San Joaquin Valley Air Pollution Control District staff recommends, could happen today at the district's monthly board meeting in Fresno.

The worst-polluter status would delay the smog cleanup deadline from 2005 to 2010. The later deadline would prevent millions of dollars in business penalties and keep $2 billion in road-building money flowing to the valley.

"They've assessed this from an economic standpoint," said lawyer Brent Newell of the Center on Race, Poverty and the Environment. "But what's the effect on public health? Will there be a delay in the cleanup? Where's the analysis?"

Air district staffers say they have answered Newell's questions: The district can't achieve clean air until national fuel and engine standards tighten in 2006 and 2007. Vehicles are the valley's biggest air problem, they say.

Officials say no delay in cleanup

Meanwhile, the district will move as fast as possible on other cleanup rules. Authorities said there would be no delay.

But Newell said he has seen no proof. He said he will raise questions again today when the board is expected to vote on volunteering for the lowest status, moving from the "severe" to "extreme" category for smog violators.

The meeting is scheduled for 9 a.m. in the district's headquarters, 1990 E. Gettysburg Ave., and will be beamed live to meeting rooms in Modesto and Bakersfield.

A coalition of business and agricultural groups is urging the board to approve the request for the 2010 deadline, saying the 2005 deadline poses unacceptable hardships on people and businesses.

Good seen in sanctions

There is more at stake than money, said Newell, a San Francisco-based lawyer who represents a valley group called Association of Irritated Residents. Expensive sanctions for missing the 2005 deadline could further reduce pollution and clean the air faster, he said.

The fines, estimated at $36 million by 2007 for the business community, could help pay for mass transit and other pollution-fighting efforts. Another sanction would require large new and expanding businesses to pay more for pollution reduction.
About $2 billion in federal road money would be withheld, except for projects that promote the environment or safety.

Perhaps the most onerous sanction is a federal cleanup plan. Using the power of such a plan, the U.S. Environmental Protection Agency threatened Los Angeles in the 1990s with restrictions on driving and the purchase of gasoline. The threats never were carried out.

How much pollution would the sanctions remove?

"We asked them in 2002 to do an analysis on pollution reduction, but they haven't," Newell said. "They should do an environmental impact report."

Such a report is not required, district planning director Dave Jones said. The district is asking the federal government for a shift in status, he said, not creating a project.

But would the air get cleaner faster if the valley kept the 2005 deadline and allowed the federal government to take over?

"We don't think so," Jones said. "The valley would just lose control of our district to the federal government. You don't want to put your faith in EPA."

Fresno Bee Editorial

Only the beginning

(Published Thursday, December 18, 2003, 5:15 AM)

Sorting out the events of the past year is an annual exercise as the holiday season approaches, for individuals and institutions alike. So it is with newspapers. Our look back suggests that just about the best news in the past year here in the Valley has been the rising awareness of our poor air quality, and a concomitant increase in the pressure to do something about it.

Much of that awareness was sparked by The Bee's special report, "Last Gasp," published just over a year ago. In the intervening months, we've used this space every Thursday -- and on other days, as the need arose -- in an effort to keep the flame alive. We won't be doing the regular Thursday editorials any longer, though we will most certainly have more to say about the Valley's air quality and the things we must do to improve it. Despite the positive steps we've taken in both public policy and in individual determination, we have a dauntingly long way to go.

Put simply, we've nibbled successfully at the edges of the problem, but we still haven't demonstrated the commitment to taking the big bites we must take if we are to see significant improvements.

It's never easy

We've seen a major legislative effort led by state Sen. Dean Florez, D-Shafter -- aided mightily by Assemblywoman Sarah Reyes, D-Fresno -- that has changed the way agriculture will do business in the Valley. None of it was easy. Giving up the comfortable status quo never is. But we have taken some steps forward: Open-field ag burning will be a thing of the past before very long. Old, dirty diesel engines used on farms are being replaced. New rules are being written to reduce the amount of dust -- a critical pollutant - - in Valley skies.

Some measures have been adopted in urban areas as well. The city of Fresno has completed a new general plan with a strong emphasis on air quality considerations. It
seeks to make urban growth more compact for a number of reasons, including the reduction of vehicle traffic and the resulting pollution. That's revolutionary in the Valley.

Some local developers anticipated new controls on fireplaces and other urban wood-burning, and dropped those amenities from the houses they are building.

A handful of local companies and some cities and counties in the Valley have begun to swap their gasoline-burning fleet vehicles for those that use alternative fuels, such as propane or natural gas, or in some cases, for new electric-gasoline hybrids. New diesel technologies are coming online that will help reduce the pollution from those egregious sources.

In a pilot program, the city of Fresno is loaning leased vans or giving free gasoline to employees who work downtown -- if they will car pool.

We've begun, however haltingly, to recognize the economic opportunities present in any large-scale effort to clean our air.

Now the real struggle begins

There's more, much more, in the way of good news. But eventually any list of improvements runs up against a formidable reality. The measures we've taken so far often add up to only a fraction of the reduction in pollution that we must achieve.

The San Joaquin Valley Air Pollution Control District may decide -- as soon as today -- to voluntarily ask for a drop in the Valley's designation for non-compliance with federal standards, from "severe" to "extreme." It's a complicated issue, but it boils down to this: We are so far behind the curve that we have no hope of meeting current deadlines, and need the extra time (until 2010) that falling to the "extreme" category would bring. In dropping to the lowest rung -- only Los Angeles now occupies it -- we would avoid some very expensive sanctions, but incur some others.

That's a terrible admission to have to make: Despite having many years and much evidence, we haven't been able to muster the wisdom and the determination to start vigorous efforts to clean up our air. There is no guarantee we'll do so in time for the 2010 deadlines, either.

Here is the biggest obstacle: Vehicles account for as much as 60% of the air pollution problems we face in the Valley. And we've done very little locally to address that fact.

One problem is that, in the regulatory respect, there is very little we can do locally. The air district has no power over vehicular pollution. That's in the hands of the state and the federal government. State and federal regulations don't always address the needs of this particular air basin, with its deadly capacity to contain all the bad emissions we produce.

It gets worse. There is little evidence that we are ready for regulations on the sort of vehicles we drive and the way we drive them. According to the Public Policy Institute of California, 31% of Californians regard air pollution as a big problem. The figure in the Valley is even better, at 42%. But only 13% of Californians are "very concerned" about pollution from their own vehicles. And air pollution is hardly a factor at all when people buy a new vehicle.

Look in the mirror
We know air pollution is bad. We know vehicles cause it. But we believe it's other people and their vehicles, not ourselves. The blame is never ours, and it's always someone else's fault.

But that isn't true. It's everyone's fault that the air is bad here. We make it bad, on our streets and highways, on our farms, in our yards, in our factories, in our fireplaces, in every aspect of our daily lives. Very little of it blows in from elsewhere. We make almost all of it here. We breathe it here. We have to fix it here. We need leaders who will speak those truths to us, and not pander, in the fashion of so many "leaders" today, to our desires and our prejudices. We need to understand the damage air pollution does, to our health, to our economy, to our prospects for improved quality of life -- to the futures of our children. We need to understand that we will probably have to give up some cherished things for the sake of cleaner air. That's the challenge ahead.

LASTGASP

"We can't go on living this way. And we won't."

**Tri-Valley Herald Editorial**

**Changing rating of Valley air stands as a reasonable option**

(Published December 18, 2003)

THE San Joaquin Valley Air Pollution Control District is meeting today at the district's headquarters in Fresno to consider downgrading the Valley's air designation from its current, "severe," to the worst designation, "extreme."

If the board approves the change, and we think it should, it will be the first air district in the United States to ask for a downgrade in its air quality rating. And it will make the Valley the only area in the U.S., besides Los Angeles, to carry that designation.

The air board meeting also will be televised remotely to sites in Modesto and Bakersfield. With the current "severe" rating, the Valley is expected to meet clean air standards by November 2005, under threat of penalty.

If the downgrade is not requested and approved by the California Air resource Board and the United States Environmental Protection Agency, businesses in the Valley face $36 million a year in penalties.

Those fees would be spread out among businesses depending on how much air pollution they put out.

The Valley also would lose $2.2 billion in federal highway funds to Valley governments. Downgrading to "extreme" will give the air district until 2010 to make sure the air meets standards.
The Valley's air is bad. Vehicle emissions produce about 60 percent of the Valley's air problem. Burning, industrial and agricultural emissions also dirty the air.

Valley legislators also have complained that smog from the Tri-Valley drifts over the Altamont Pass and degrades San Joaquin's air quality.

The air pollution control district has also mandated that fireplace burning stop on winter days when there isn't enough wind to blow wood burning pollutants out of the area.

The county's Board of Supervisors recently passed Cleaning up the Valley's air is crucial, no doubt. But extending the deadline is crucial too.

The district is committed to cleaning the Valley's air, but it will be better able to achieve that goal after nationwide fuel and engine standards tighten in the next 3-4 years.

When Los Angeles didn't move fast enough to clean up its air a decade ago, the federal Environmental Protection Agency threatened to regulate when people could drive and buy gasoline.

With our weak economy, the Valley doesn't need additional thoughtless, bureaucratic rules.

Agriculture, especially on the West Side, remains weak.

Statewide, we're just coming out of a recession. An extra five years will give the weak economy some breathing room and still enable the Valley to clean up its air.