

## **State air board weighs tougher emissions laws Plan calls for 30% cut in harmful gases in aim to make cars more fuel-efficient.**

By DANNY HAKIM, New York Times

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An initial draft of a California regulation would require automakers to cut the amounts of carbon dioxide and other gases linked to climate change that their new vehicles emit by as much as 30 percent in the next decade.

The draft may be made public this week or next. People briefed on it said the 30 percent figure could still be changed before its release, although probably not by much.

If adopted, the plan would compel the auto industry to make cars, sport utility vehicles and others it sells in California more fuel efficient.

Unlike the particles and gases that contribute to air pollution and smog, whose emissions can be reduced technologically, the gases linked to global warming are an inevitable product of fuel combustion, and no way yet exists to filter them from engine exhaust. The only way to comply with the proposed rules would be to build vehicles that burn less fuel.

Details of the draft proposal were described to The New York Times by members of environmental groups briefed on its contents last week.

The California Legislature passed the nation's first law aimed at curbing global-warming emissions from cars and light-duty trucks in 2002. The law directed the state's powerful Air Resources Board to formulate a plan this year. The proposal will be reviewed by regulators this summer and fall, and then reviewed by the Legislature next year.

If adopted, the proposed rules would take effect at the beginning of 2006 and give automakers until the 2009 model year to start meeting the requirements. As described to environmental groups, the rules would require progressively greater reductions in average emissions, reaching 30 percent in the 2015 model year.

Officials at the state air board declined to comment.

The proposal will have implications for northeastern states like New York that generally follow California's lead in setting air-quality rules. California, where smog has been an issue for decades, has the power to set alternative air-quality standards to Washington's because its regulations predated the federal Clean Air Act.

The new rules would set the state even further apart from Washington on environmental regulations.

Nationally, fuel economy has stagnated for the past two decades as automakers have sold more SUVs and large pickups and a smaller proportion of passenger cars. The Bush administration has moved away from regulating emissions linked to climate change, withdrawing the United States from an international treaty known as the Kyoto Protocol meant to curb them.

"It's important California leads the way, frankly, because of the lack of leadership on the federal level," said Assemblywoman Fran Pavley, D-Agoura Hills, who sponsored the proposed state law.

But California's strategy seems certain to face a legal challenge from the auto industry, and potentially from the federal government. Both may argue that the plan is pre-empted by federal authority to set fuel-economy regulations.

In an interview last month, William Clay Ford Jr., chairman and chief executive of the Ford Motor Co., said "the issue for us is always going to be if individual states are doing their own thing, versus the federal government - it does make our life a lot more complicated."

## **State aims to cut gas emissions by 30 percent**

### **Regulations would see cut in carbon dioxide and other greenhouse gas emissions**

By Jennifer Coleman, Associated Press

Published in the Tri-Valley Herald and the Modesto Bee, June 10, 2004

SACRAMENTO -- California's new global warming regulations would require auto-makers to cut carbon dioxide and other greenhouse gas emissions by nearly 30 percent over the next decade, the chairman of the state Air Resources Board said Wednesday.

California's attempt to restrict greenhouse gases was signed into law in 2002 by then-Gov. Gray Davis, over the objections of automakers who promised to sue to block it.

California already has the nation's most stringent standards for other vehicle pollutants. The new law sets emission standards for carbon dioxide and other greenhouse gases that would apply to new passenger cars and light trucks beginning in 2009.

The California Air Resources Board is expected next week to release the first regulations to implement the law.

Air Resources Board chair-man Alan C. Lloyd said Wednesday the plan would phase in reductions in average emissions with the goal of cutting greenhouse gas emissions by 29.2 percent by 2015 in autos and light trucks. The percentage would be slightly lower for heavier vehicles, said Lloyd, who was speaking at a Sacramento conference on global warming.

The air board's staff estimates the changes will add \$328 to the cost of a car or light truck that meets the 2009 standard, and more than \$1,047 to a model meeting the 2015 emission standard, Lloyd said.

The regulations are "performance based," Lloyd said, and much of the reduction could be reached using available technology.

The Alliance of Automobile Manufacturers said in 2002 that it would challenge the law in federal court.

Eron Shosteck, spokesman for the trade association, said Wednesday the alliance hadn't seen the draft regulations yet, but that mandates to cut emissions would "add thousands to the price of a new vehicle.

"Eighty percent of the technology they've identified is currently available on cars and light trucks, but consumers don't always want to pay the extra money for them," he said.

The air board staff believes there would be no significant impact on the state's economy or on consumers' buying habits, Lloyd said, but they could influence air quality and global warming on a bigger scale.

"You are going to have significant impact on the worldwide stage," Lloyd said.

California can set its own vehicle pollution standards -- the only state that can do so because California began regulating pollution before the federal government did. Other states can adopt either federal vehicle pollution standards or California's.

Several states in the Northeast, including New York, generally use California's standards, which could bring even more pressure on automakers to build more fuel-efficient vehicles.

Carbon dioxide and other greenhouse gases are the product of combustion, so they can't be controlled like vehicle emissions that cause smog and pollution. To limit the greenhouse gases, automakers would have to make vehicle engines that burn less fuel.

The Union of Concerned Scientists believes that the state could cut the global-warming emissions by as much as 40 percent in 10 years, said Jason Mark, clean vehicle director for the Cambridge, Mass.-based organization.

"CARB's number is a bit conservative, in our view, but is still well within the bounds of feasibility and affordability," Mark said.

Gov. Arnold Schwarzenegger has expressed support for the law, and promised to fight any lawsuits brought by automakers. Environmentalists say it could also be challenged by the federal government, which has jurisdiction over setting fuel efficiency standards.

"One of the things we expect to see is that the Bush administration could weigh in, as they have in the past, on the side of automakers," said Roland Hwang, senior analyst for the Natural Resources Defense Council.

## **State officials to release recommendations on how to reduce greenhouse gases**

By Don Thompson, Associated Press

Published in the LA Times, June 10, 2004

SACRAMENTO -- Global warming will hit California hard, but the state has already become a national leader in delaying and adapting to rising temperatures as it has pushed for tighter controls on automobile emissions and coped with a major energy crisis, experts said Wednesday.

The scientists who released the results from the nation's first state-sponsored global warming program said the experience fighting the energy crisis three years ago and continued air pollution has made the state a veteran in coping with many of the effects of global warming.

"Not only are we figuring out how to adapt to global warming, we're figuring out how to delay global warming," said Arthur Rosenfeld, the California Energy Commission member who oversees a \$60 million budget for research and development. About \$10 million annually goes to studies through the California Climate Change Center.

That means cutting greenhouse gases from cars and power plants that scientists believe have at least aggravated temperature increases during the industrial age.

On Monday, the California Air Resources Board will release draft staff recommendations on how California can reduce greenhouse gas emissions for passenger cars and light trucks by nearly 30 percent by 2015, without hurting the state's economy or consumer choice, said Alan C. Lloyd, air board chairman.

Though California's population has grown from 21 million to more than 35 million in the last 30 years, per capital electricity use has remained stable thanks to energy saving requirements for appliances, buildings and utilities, while power use nationwide has grown 50 percent. And while energy efficiency worldwide has increased about 1.6 percent a year, it's increased 4 percent annually in California.

That's a huge environmental impact that equals "getting 12 million cars off the road," Rosenfeld said.

That won't be enough to forestall problems, however. Much of the effort led by researchers at the University of California, Berkeley, and Scripps Institute of Oceanography is to better monitor changes and build more accurate computer models to help the public and policy-makers.

"Even the most benign of the projected climate changes are sufficient to significantly alter the California's landscape, hydrology, and land and water resources," warned Michael Dettinger of the U.S. Geological Survey.

"Those alterations are likely to become significant within roughly the next 25 years" -- well within the range of long-term planning decisions that need to be made now.

For instance, California counts on Sierra Nevada snow for more than a third of its drinking and irrigation water, while snow-fed hydroelectric plants produce about a quarter of its power.

But coastal mountains are being hit hardest by temperature increases that mean less snow melting earlier each spring. That hits California twice, meaning less water in the hot, dry summers when it's needed most, and less hydropower from the Pacific Northwest when air conditioners are cranking in California.

That could mean building more dams and hydroelectric plants to offset less water, though environmental groups say conservation is far cheaper and less damaging.

Higher temperatures and reduced rainfall will also mean more wildfires of the sort that swept Southern California last fall -- and, perversely, increased flooding of rivers like the snow-fed Sacramento as more precipitation falls as rain or melts off earlier.

The state's economy will be affected also by efforts to control greenhouse gases, said other scientists. The state, with Oregon and Washington, promised last year to take steps to reduce gas emissions.

Climate change could cost California billions of dollars a year because it will increase sea levels, flooding, fires, along with the cost of farming, energy, and health care, said Joel B. Smith of Stratus Consulting Inc., summarizing a report to the energy commission. The effects will be most severe in Southern California, he said.

The state's huge agriculture industry could be hit especially hard, as climate change could alter the specific climatic conditions that makes the state's world-class wines, fruits and nuts thrive, said Steve Shaffer, director of the state Office of Agriculture and Environmental Stewardship.

Some farmers already have started growing pistachio, for instance, because those don't require cool winters, he said.

Farming practices may have to change particularly in Northern California, not only to compensate for changing weather but also to try to capture some of the carbon dioxide in greenhouse gases, researchers said.

That could include leaving more crop stubble in the fields, using cover crops, different crops, fallowing cropland, and becoming more efficient at using fertilizers and irrigation. Limited resources may be devoted to more valuable crops such as those grown San Joaquin and Imperial valleys.

"Water flows uphill to money," said Smith. "The reduction (in water use) basically comes out of agriculture."

## **Greenhouse Gases Are Targeted**

By Miguel Bustillo, Times Staff Writer  
LA Times, June 10, 2004

California plans to require automobile manufacturers to reduce emissions of greenhouse gases in new cars by nearly 30% over the next decade as it implements the first regulation in the world to tackle tailpipe exhaust linked to global warming.

The regulation, expected to be outlined Monday by the California Air Resources Board, is being closely watched elsewhere. Several other states, impatient with the federal government's inaction on the heat-trapping gases that many scientists say contribute to climate change, may copy California's standards, which are mandated by a 2002 state law. Other nations such as Canada also are monitoring California's approach to limiting carbon dioxide and other greenhouse gas exhaust from trucks and cars

"Time and time again, California has demonstrated that better vehicles can be built and that has had an impact not only on California but elsewhere in the country and the world," said Alan C. Lloyd, chairman of the Air Resources Board. "I think we have done some tremendous regulation

reducing fine particles and other [sources of air pollution]. But by coming up with vehicles that help reduce greenhouse gases, we will have a significant impact worldwide."

Auto makers, meanwhile, continue to assert that California has no right to demand the greenhouse gas restrictions and suggest they may sue to thwart them. The car companies contend the rules represent a backdoor attempt by the state, which makes up roughly 10% of the nation's car market, to impose fuel economy standards stronger than those set by Washington.

In an early draft of the regulation, the Air Resources Board is proposing to reduce greenhouse gas emissions in new cars and trucks up to 29.2% by 2015. The reductions, state air experts contend, can be achieved largely with existing technologies such as transmissions that continually shift to find the ideal gear, alternative refrigerants in air-conditioning systems and engines that shut off while cars are standing still at red lights.

The regulation, which is set to be approved by the air board in Los Angeles in September, would begin to apply to cars and light-duty trucks in the 2009 model year.

The requirements would grow increasingly tougher, peaking in 2014. Air board officials estimate that the regulation would raise the cost of a car or truck by \$328 for 2009 models, rising to \$1,047 for 2015 models.

California's goal is considered modest by some environmental groups, who contend that the state could easily require larger reductions using technologies already in use in some cars and trucks.

Relying on existing technologies, auto makers have volunteered to reduce greenhouse gas emissions by 25% in Europe by 2008 to stave off regulations threatened by the European Union.

"We think it makes sense for CARB to push the envelope," said Jason Mark of the Union of Concerned Scientists, which released a report this year concluding that 40% reductions were possible.

"Compared to our analysis of what can be done, a 30% reduction seems conservative. But compared to zero, 30% is pretty good."

Environmental groups also assert that auto makers will surely find new ways to make cars and trucks release fewer greenhouse gases, if California's long history of forcing them to cut air pollution is any indication.

"The auto industry often innovates and comes up with cheaper and more ingenious solutions than anything the government regulators could have come up with," said Roland Hwang, a policy analyst with the Natural Resources Defense Council.

"As we move forward with this program and Detroit sends its lawyers and lobbyists home and puts its engineers to work, they will be able to achieve much greater reductions," Hwang added.

Auto makers, particularly the Big Three in Detroit, continue to chafe at the notion that California has the right to demand any changes in passenger vehicles to address global warming.

Since the state passed the 2002 law, auto makers have suggested that they intended to contest it in court on grounds that California was indirectly trying to set fuel economy standards, a power that lies with Washington.

The companies point out that measures to combat global warming in cars almost inevitably involve reducing the amount of fuel cars consume, because greenhouse gases are primarily released when gasoline burns during internal combustion.

Suing California "remains one option," according to Eron Shosteck, spokesman for the Alliance of Automobile Manufacturers, which includes Ford, General Motors, Toyota, Volkswagen and Mitsubishi, among others.

"Auto makers would challenge any rule inconsistent with the federal fuel economy program," Shosteck said.

But state regulators and environmental groups maintain that the global warming law would not impose tougher mileage standards than those set by the federal government.

Gov. Arnold Schwarzenegger has pledged to defend the global warming regulation from legal attacks and to ensure that it goes into effect.

Some auto industry officials have suggested that a recent U.S. Supreme Court ruling concluding that Southern California officials overstepped their authority in approving vehicle fleet rules bolsters their case that the global warming law goes too far.

The U.S. Environmental Protection Agency recently concluded that it could not regulate carbon dioxide under its existing powers because the greenhouse gas was not a pollutant.

That interpretation is hotly contested by many states, including California. In response to the lack of action in the nation's capital, the governors of Washington, California and Oregon formed an alliance last year to combat climate change.

California is the only state that has a right to approve clean air laws stronger than those of the federal government.

Many states, particularly in the Northeast, have adopted California's clean air rules, because they tend to be stronger. New York, New Jersey and Massachusetts are among the states that have indicated interest in adopting California's greenhouse gas standards.

"Frankly, there are a lot of people, cities and states around the country that are tired of waiting for a federal policy" to address climate change, said Assemblywoman Fran Pavley (D-Agoura Hills), author of the global warming law.

"California, with 35 million people, has more cars than a lot of countries. It's important for California to lead on this, because it may be the only way anything happens."

### **Legal action taken towards Valley Air District**

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On May 27, the Alliance of Western Milk Producers and Western United Dairymen took legal action against the San Joaquin Valley Air Pollution Control District (SJVCD) to get clarification on air pollution permitting policies for dairies in the San Joaquin Valley. The SJVCD Board is requiring dairies to get air pollution permits now, two years ahead of the schedule set by legislation and in advance of necessary studies needed to develop permitting regulations, say the dairy industry. But Air District director of permitting Dave Warner says the bill created the law took effect January 1 and it mandates the district permit the dairies like any other pollution source. Farms or dairies that emit more than 12.5 tons of pollution a year need permits, the district believes. The district is expecting to receive applications for permits by July 1 and is carrying out over 30 workshops up and down the valley to go over requirements. The dairy industry has pointed out a study being conducted by the state Air Resources Board has yet to determine just how much dairies pollute and until the study is done it isn't fair to require dairies to get a permit. The law gives the district until July 2006 to develop regulations based on the study.

