

Winter may be setback for air

High energy prices could mean more people turn to their polluting fireplaces.

By Mark Grossi / The Fresno Bee

Sunday, October 30, 2005

The smell of burning wood wafted through Fresno neighborhoods last week as temperatures dipped into the 40s, kicking off what may become a nervous fireplace season for air quality authorities.

They see the forecast for higher-priced heating bills piled on top of \$3-a-gallon gasoline, and they understand the temptation to toss another log on the fire and turn off the heater.

Trouble is, more wood burning might make a clean-air milestone literally go up in smoke.

If there are no violations between now and Dec. 31, the San Joaquin Valley will achieve the health standard for PM-10, tiny specks of ash, soot, dirt and chemicals.

The Valley, one of the dirtiest air basins in the country, has never met the federal standard for such particle pollution — or smog either. Air district officials have been waiting for this moment since the early 1990s, so they're concerned about the next two months.

"Without a doubt, all of us are bracing for the anticipated jump in natural gas prices this winter," says David Crow, executive director for the San Joaquin Valley Air Pollution Control District. "But it's as important as ever to stop and think before lighting a fire."

The district backs up that message with alerts calling for voluntary wood-burning cutbacks on bad-air days and outright burn bans when the air gets unhealthy for most people.

On Tuesday, the district will begin its third season of enforcing the wood-burning restrictions on a county-by-county basis in the Valley, from Stockton to Bakersfield.

Some people grumbled when the enforcement began two years ago, but widespread cooperation is one reason the area is on the verge of reaching the particle pollution standard.

Now, the rising price of natural gas — the fuel many residents use in home heating — will drive up heating bills by about 50% this season, according to Pacific Gas & Electric Co.

Why the spike in natural gas prices? Devastating hurricanes this year knocked out most of the natural gas production on the Gulf Coast, which produces 25% of the nation's supply.

California imports more than 85% of its natural gas, mostly from Canada, the Rocky Mountain region and the Southwest. The collapse of Gulf Coast production has placed a higher demand all through the market, causing prices to rise, experts say.

It gives Fresno consumers the chills.

"It's unbelievable," says Patricia Petersen of Fresno. "It makes me feel like we're in the hurricane business, paying for what's going on over there."

Petersen, 74, lives in a 2,200- square-foot home. She and her husband Richard, 82, avoided burning wood in their fireplace last year, honoring the clean-air fight.

This year, she says they will continue to hold down the use of wood, but she wonders how others will deal with the cost of higher home heating bills.

"Yes," she says, "I think some people will have to burn more wood this year. I'm cold right now, and I'm dressed in layers."

Firewood sales have not started with a bang, but it is early in the season, say sales representatives. Araceli Hernandez, who sells plum and peach wood in Parlier, says she noticed a change when residential wood-burning restrictions began in 2003.

"A lot of people don't think they're going to let them burn," she says. "So the people who would buy a full cord of wood will buy only a half. I don't know what will happen this year."

Nobody is making predictions about the weather either. The weather easily could tip the scales one way or the other on pollution violations.

Last winter, the Valley had many air-cleansing storms. A mild El Niño, a Pacific Ocean warming phenomenon along the equator, helped create a wetter winter in California.

But there is no such phenomenon this year. There's not even a hint. If there are long lulls in the rainfall season, dense fog could turn the air into a nasty brew of moisture, tiny soot and chemicals from sources such as fireplaces and diesel engines.

The microscopic bits of pollution penetrate deep into the lungs, aggravating respiratory problems such as asthma and bronchitis. Fresno County has the highest childhood asthma rate in the state.

Recent research connects the tiny specks with heart attacks and higher mortality rates. Science shows that heart disease is higher in the population at the Valley's arid southern end where particulate pollution is often more intense.

"The evidence also shows that as pollution increases, so do visits to the emergency room," said Stephen Van Den Eeden, a researcher for Kaiser-Permanente. "Particulate matter from wood burning is usually a very localized thing. Burning in one extra fireplace might not cause a problem for a neighborhood, but many fireplaces burning will definitely make a difference."

How the rule works

From 101-150 on the air quality index: Residents are asked to voluntarily refrain from wood burning, or burn as cleanly as possible with a manufactured log, such as Duraflame, or an EPA-certified stove or other device.

From 150 up: Authorities ban wood burning. Fine of \$50 to \$1,000 for violations. Exemptions include homes where wood-burning is the only source of heat; homes in areas where natural-gas service is not available; and homes above 3,000 feet in elevation.

Source: San Joaquin Valley Air Pollution Control District

Before you burn

Call (800) 766-4463 (English and Spanish); (877) 344-1212 (Hmong); online at www.valleyair.org.

Report violations

(800) 281-7003 (San Joaquin, Stanislaus and Merced counties)

(800) 870-1037 (Madera, Fresno and Kings counties)

(800) 926-5550 (Tulare County and Valley portion of Kern)

Wood-burning restrictions start for winter season

Merced Sun-Star, Oct. 31, 2005

By David Chircop

Check before you burn.

It's a simple step Valley residents can take to improve air quality and the health of their neighbors.

Mandatory wood-burning restrictions go into effect in Merced and seven other Central Valley counties Tuesday.

Before lighting a fire, the San Joaquin Valley Air Pollution Control District is asking residents to check the wood-burning status in their county.

"Without a doubt, all of us are bracing for the anticipated jump in natural gas prices this winter," said David Crow, an air pollution control officer for the Air District. "But it's as important as ever to stop and think before lighting a fire."

The rule bans wood burning in fireplaces and stoves on days when air quality drops to an unhealthy level for sensitive groups.

On windless fall and winter days, tons of tiny airborne particles of soot and dust from home fires hang thick over the Valley floor.

In air-quality jargon, the pollution is known as PM10 -- particulate matter that's 10 or fewer microns in diameter, smaller than the diameter of a human hair.

That pollution can trigger heart attacks, increase the risk for lung cancer and aggravate conditions such as asthma and bronchitis.

During the winter months, the Central Valley has a strong inversion layer, creating the perfect meteorological condition for keeping that particulate matter at ground level, where it is inhaled.

The rules don't apply to homes exclusively heated by wood burning, areas where natural gas services aren't available and for homes at elevations above 3,000 feet.

Winter wood burning adds an estimated 24 tons of unhealthy particulate matter into the San Joaquin Valley basin's air every day, according to Air District officials.

Failure to follow no-burn rules can result in fines ranging from \$50 to \$1,000, depending on the circumstances and severity of the violation.

For information

To check wood burning status:
1-800-SMOG-INFO (766-4463)
or www.valleyair.org

Air district in season for issuing no-burn days

The Bakersfield Californian, Monday, Oct. 31, 2005

The daily wood-burning status for homes throughout the San Joaquin Valley will start at 4 p.m. today. The reports will be issued every day through Feb. 28 by the San Joaquin Valley Air Pollution Control District.

The reports tell residents when using wood-burning fireplaces, inserts and stoves is prohibited, discouraged or permitted.

Wood burning is prohibited when air quality is expected to be unhealthy for the general public. Wood burning is discouraged on a voluntary basis when air quality is expected to be unhealthy for sensitive groups.

Restrictions could begin Nov. 1, depending on the air-quality forecast. Violations of mandatory wood-burning prohibitions could result in fines.

Last year, Bakersfield had two no-burn days, said Brenda Turner, district spokeswoman. Two days per season is average, she added.

Check *The Californian's* weather page for daily updates on wood-burning restrictions. The daily status is also available online at www.valleyair.org or toll-free at 1-800 SMOG INFO.

Workshops on air rules to help Valley farmers

The Fresno Bee
Saturday, October 29, 2005

Seven workshops are scheduled next week to help Valley farmers comply with new agricultural internal combustion engine air-quality rules, including monitoring and record-keeping requirements.

The workshops also will provide updates on conservation management practices and agricultural burning rules. The free workshops will be held:

Tuesday: 9 a.m., Stanislaus County Ag Center, Modesto. Reservations: (209) 522-7278.

Tuesday: 1:30 p.m., Chowchilla Portuguese Hall. Reservations: (559) 674-8871.

Wednesday: 9 a.m., Kings District Fairground, Hanford. Reservations: (559) 584-3557.

Wednesday: 1:30 p.m., Tulare County Agriculture Commissioner's Office, Tulare. Reservations: (559) 732-8301.

Thursday: 9 a.m., Kerman Community Center, Kerman. Reservations: (559) 237-0263.

Thursday: 1:30 p.m., Reedley Community Center, Reedley. Reservations: (559) 237-0263.

Friday: 10 a.m.; Kern County Fairground, Fine Arts Building, Bakersfield. Reservations: (661) 397-9635.

The main topic at the workshops will be the new Rule 4702, which requires all agricultural internal combustion engines, both stationary and portable, over 50 horsepower to meet new pollution criteria. Wind machines are exempt.

Air district and U.S. Department of Agriculture Natural Resource Conservation Service officials will be on hand. Electric utility representatives also will make presentations on the program to convert diesel engines to electric motors.

The workshops are hosted by Agriculture Improving Resources, a coalition of agricultural and governmental agencies organized to help educate farmers and ranchers about air quality issues. Formed in 2000, AIR aims to help farmers, ranchers and food and fiber processors by promoting the voluntary improvement of air quality.

Questions on the workshops should be directed to Fresno County Farm Bureau Executive Director Karla Kay Fullerton at (559) 237-0263, or California Cotton Ginners and Growers Association Vice President Roger Isom at (559) 252-0684.

Valley's oldest school buses could be replaced by next fall

State considers allocating funding based on age of vehicles, not population

By JENNIFER M. FITZENBERGER - BEE CAPITOL BUREAU and MICHAEL G. MOONEY - BEE STAFF WRITER

Published in the Modesto Bee, Friday, Oct. 28, 2005

SACRAMENTO — The valley's oldest school buses could be replaced with newer, safer models by next fall if the state air board adheres to a revised schedule that speeds up the distribution of bus money.

"It would be great if they could do that," said Dr. Wallace Carroll, who heads the Stanislaus County Asthma Coalition. "It would be wonderful to update our (school bus fleets)."

The California Air Resources Board is deciding how to divide \$12.5 million in state budget funds to replace buses built before 1977, which are considered the least safe for passengers and the highest-polluting.

In the past, school bus funding was allocated based on population.

This time, a growing number of officials want the oldest buses replaced first — regardless of where they're located.

Under this plan, the San Joaquin Valley would get the most money, enough to replace about 38 old buses.

About 1,000 buses built before 1977 exist in California, about a quarter of them in the valley.

Don Barkley, director of transportation for the Oakdale Union Elementary School District, said his district doesn't own any buses built before 1977 and, as a result, does not qualify for the replacement funding.

Barkley, however, was hopeful the district might be able to obtain state funding to retrofit its two oldest buses, both of which were built in 1978. Those buses, he said, are used only as back-up vehicles.

"If I can't get the funding," Barkley said Thursday, "I'm just going to sell them."

None of the 51 buses in the Modesto City Schools fleet was built before 1977, so the school district doesn't qualify for a share of the \$12.5 million bus replacement funding.

"We have two that were built in 1982," said Alice Quayle, supervisor of transportation, "one in 1984 and six 1986 models."

Quayle said she's heard that a second-round of bus replacement funding is planned. That money would be used to replace buses built before 1987.

If the population formula is used, the valley would get enough money to replace just 10 buses, and more money would go to the Los Angeles area, enough to buy 44 new buses.

In all, \$12.5 million will buy about 100 new buses. New diesel school buses cost about \$110,000 apiece, and natural gas buses cost about \$140,000 apiece.

Quayle said that in the past, Modesto City Schools had sought state funding to retrofit some of its older buses in an effort to reduce harmful engine and fuel emissions.

But the district, Quayle said, had trouble getting a vendor to produce the needed engine parts in time to meet a state-imposed deadline for the funding. "So, we had to drop out of the program."

Even \$25 million, Barkley said, is not nearly enough money to get all the state's oldest school buses off the road. He also noted that Oakdale and other school districts in the Northern San Joaquin Valley have had a tough time corralling money from the state.

"We've made several attempts (to secure state funding)," Barkley said. "Like most people in the valley, we haven't been too lucky. (But) we're fortunate in Oakdale; our buses are in pretty good condition."

Air board staff initially said it would take several months to decide which method to use. It estimated that school districts would have to wait until September to apply for the state money.

Staffers wanted to make sure the public had ample time to comment before the board decided to switch methods.

Catherine Witherspoon, the air board's executive officer, explained the timeline in a memo last month to Alan Lloyd, secretary of the California Environmental Protection Agency.

Lloyd asked that the timeline be moved up.

"... It is imperative that children's health be protected by the earliest possible date," Lloyd wrote.

A couple of weeks later, 27 state lawmakers — including Sens. Dean Florez, D-Shafter; Chuck Poochigian, R-Fresno; and Roy Ashburn, R-Bakersfield; and Assemblymen Dave Cogdill, R-Modesto, and Mike Villines, R-Fresno — sent a letter to the air board asking for the funds to be disbursed quickly.

In response, the board staff moved up a public hearing date and expedited the distribution of an additional \$12.5 million to retrofit newer buses with pollution-reducing equipment.

The board is scheduled to debate and possibly approve the plan to replace old buses in February. Then school districts could apply for funding.

That means new buses could be on the roads by the beginning of next school year.

State Air Board Relaxes Smog Rules for Buses

Vehicles with diesel engines will have until 2010 to comply with new emission standards.

Environmentalists decry the reversed decision.

By Marla Cone and Deborah Schoch, Times Staff Writers

Saturday, October 28, 2005

Reversing a decision made just last week, the state air quality board Thursday eased a smog standard for transit buses.

Because no diesel engines can comply with an emission standard for new buses that was scheduled to go into effect in 2007, the Air Resources Board decided to delay it until 2010, allowing the buses to emit six times more nitrogen oxides until then.

A week ago, after six hours of debate, the board decided that relaxing the standard would send the wrong message to transit agencies. The board members had thought they could retain the tougher standard and offset any extra emissions by allowing transit agencies to buy diesels only if they installed smog-control devices on some older buses.

But Thursday's reversal came after the board heard from its staff that diesel operators would not be eligible for some critical air-quality funds if they exceeded the standard, said air board spokesman Jerry Martin.

Environmentalists lambasted the move, saying that the board caved in to transit agencies and was wrong about the funding issues.

California has about 10,000 transit buses. About 60% of them are diesel-powered and many of those are in the Bay Area. Most transit agencies in the Los Angeles Basin operate buses powered by compressed natural gas, but many other agencies elsewhere do not use alternative fuels because constructing fueling stations costs millions of dollars.

Buses powered by natural gas can meet the new standard in 2007, but diesel technology won't comply until 2010.

Later in the day, the board took up debate on whether to scrap a controversial pact with the nation's two largest railroads, amid charges from local air regulators and activists that the pact shields the companies from tougher pollution controls.

Pollution from idling locomotives and other rail equipment has grown in recent years, propelled by the surge in imports from Asia moving through the Los Angeles-Long Beach port complex.

Residents near the sprawling rail yards of eastern Los Angeles and San Bernardino counties began lobbying local and state air regulators, urging that emissions be reduced. Locomotives burn diesel fuel, which creates emissions that scientists have linked to a number of health problems, including lung cancer.

More than 60 people opposed to the pact signed up to speak to the board, while 14 — primarily railroad representatives — in favor of it did so.

Some opponents arrived at the hearing at 2 p.m. and were still waiting to be heard seven hours later.

Among the opponents who spoke Thursday evening was Long Beach City Councilwoman Tonia Reyes Uranga, who said that the entire council had voted to ask the state board to rescind the deal. She described how her west Long Beach neighborhood is surrounded by train tracks and truck-filled freeways carrying cargo from the port.

"We are in a literal coffin of death," she said. "These railroads run 24/7 — there is no relief."

State officials have defended the pact they crafted in June with the Burlington Northern Santa Fe and Union Pacific railroads, noting that the rail industry is largely regulated by the federal government and that state control is limited.

But the agreement outraged local regulators and environmental groups, who called it a back-room deal.

One of the deal's harshest critics has been Barry Wallerstein, executive director of the South Coast Air Quality District, which regulates air quality in the basin. Wallerstein said state regulators were remiss in entering the pact without public input.

In response, the Air Resources Board held a hearing in the City of Commerce in August that drew more than 300 people.

The pact calls for the railroads to stop the practice of idling nonessential locomotives at rail yards and to conduct health-risk assessments at major yards in the state.

Smog board allows increase in bus emissions

By TIM MOLLOY, Associated Press Writer
In the L.A. Times, Friday, October 28, 2005

Los Angeles (AP) -- A decision by California regulators will allow city buses to double the amount of smog-forming chemicals they release into the air starting in 2007.

Thursday's move reversed a decision last week that would have kept in place plans to introduce tougher pollution limits for the buses in 2007. Members of the Air Resources Board had warned last week that they might reverse their decision if they determined that stricter standards would cost transit operators significant government aid.

The standards the board had voted to keep in place last week would have limited new buses to releasing no more than .2 grams per hour of smog-forming oxides of nitrogen starting in 2007. The current limit is .5 grams.

Under the new standards, buses will be allowed to emit 1.2 grams starting in 2007.

One reason for loosening the standard was that diesel bus manufacturers have not producing diesel engines that reach the .5 standard, and are not expected to meet the .2-gram standard by 2007. Their buses do meet the 1.2 standard, which is also the current federal standard, board spokesman Jerry Martin said.

The new 1.2-gram state standard would enable the 48 transit agencies in California that use diesel-powered buses to buy vehicles that meet the standard before the federal government begins forcing bus producers to meet a .2-gram requirement in 2010.

The stricter standards also would have made buses that run on ultraclean compressed natural gas ineligible from receiving so-called Carl Moyer grants from the state, Martin said.

Moyer funding, named after a clean air advocate, is available to transit operators that buy buses or pollution-control equipment that reduce emissions below the state standards.

Because the CNG buses emit .2 grams, they would have been at the standard instead of below it. The loss of state money would have been substantial because about 60 percent of the buses in the state use CNG, Martin said.

Environmentalists said the board should have kept the .2 standard in place to encourage bus manufacturers to design models that pollute less.

"It's the California transit riders that lose because they're going to be exposed to higher levels of pollution on these buses," said Diane Bailey, a staff scientist for the Natural Resources Defense Council.

Bailey said concern that CNG buses would lose Moyer funding was a red herring, adding the buses would have qualified for federal grants to cover the losses.

But board staff found that federal money would not have covered all the lost state money, Martin said.

Tejon Ranch gets new warehouse client

MATT PHILLIPS, Californian staff writer
Bakersfield Californian, Saturday, Oct. 29, 2005

After a quiet spell, Tejon Ranch Co. has found a new customer to take space at its warehouse and distribution complex near the Grapevine. The land-holding company said Friday that tenants will take some 570,000 square feet in a building left by office products supplier Daisytek International Corp., which filed for bankruptcy in 2003.

Upstate New York-based flatware and dish maker Oneida Ltd. will take a little more than 244,000 square feet in the building. The company expects to hire about 100 people to work there, according to a Tejon statement Friday.

Swedish housewares retailer IKEA will also add to the space it already leases from Tejon. The company will lease an additional 326,000 square feet in the building just north of the giant warehouse, where it already has 1.7 million square feet, Tejon Ranch said.

Another company that reconditions airliner seats also has space in the building, said Barry Zoeller, a Tejon spokesman.

Zoeller said he did not know exactly how many additional jobs IKEA's expansion would create.

Tejon's stock price climbed \$1.11 Friday to close at \$42.59 per share, an increase of 2.7 percent.

Tejon posted an \$840,000 loss during the three-month period ending June 30. That's steeper than the \$476,000 the company lost during the same period of 2004.

Tejon Ranch is in the midst of a costly and complicated transformation from an agriculture company to a commercial and residential real estate operation.

As part of that transition, the company is developing Tejon Industrial Complex, a large retail and commercial center straddling Interstate 5 about 30 miles south of Bakersfield.

In 2004, Tejon inked no leases there, according to its annual report.

Zoeller said activity may pick up soon. "There are a number of interested parties who are looking very seriously at Tejon Industrial Complex, so we expect to see some real expansion in the next 12 to 18 months," he said.

Not everyone is excited about it.

In February 2003, environmental groups filed a lawsuit contesting Kern County's certification of Tejon's plans for the eastern half of the industrial complex, a 1,100-acre swath on the opposite side of Interstate 5 from IKEA's warehouse.

Some environmental groups argue that Tejon's industrial development will increase truck traffic and [air pollution](#) associated with trucking.

"We, as a whole, think this is a perfect example of dumb sprawl," said Mary Ann Lockhart, a member of the Kern-Kaweah chapter of The Sierra Club.

The Tejon Industrial Complex-East project will come before the Kern County Board of Supervisors at 2 p.m. Nov. 8.

The board will consider approval of the entire 1,100-acre project and hear additional environmental reports on [air quality](#) and endangered species issues Tejon will make following the lawsuit, said Ted James, Kern County's top planner.

State Seeking Ways to Speed Cargo

Officials in Sacramento are working on a plan to move products more swiftly through the state while also addressing pollution concerns.

By Deborah Schoch, Times Staff Writer
Monday, October 31, 2005

The Schwarzenegger administration is briskly completing an ambitious but controversial plan to boost cargo shipments throughout California while curbing toxic air pollution from ships, trucks and trains.

The plan could affect the number of trucks on Los Angeles and Bay Area freeways, the growth of cargo-related jobs in the Inland Empire and Central Valley, and the amount of air pollution along freeway and rail corridors statewide.

State officials hope to finish the plan in December so it can be included in Gov. Arnold Schwarzenegger's State of the State address in January. It may also be a topic during his trade mission to China in mid-November.

Business and community interests are divided on the project, with many shippers applauding it as a sorely needed blueprint to increase trade and ease traffic congestion.

Critics, however, say the administration is ramrodding the plan through without sufficient study of how air pollution currently affects residents near the state's freeways, ports and rail lines.

The debate underscores California's growing stature as the largest U.S. entryway for Asian imports arriving by ship and transported across the country by trains and trucks.

The plan will establish how California's transportation network can be expanded and improved to speed cargo movement and prevent bottlenecks. It will also outline financing strategies and ways to rein in air pollution.

In a letter Friday, the executives of the state's two leading smog-fighting agencies and several environmental groups appealed to state officials to roll back the December deadline so that health concerns could be studied more thoroughly.

The back-and-forth is expected to continue this week in a series of public meetings today through Friday in Sacramento. In coming weeks, officials will review \$47.3 billion in potential construction projects — including highways, bridges and rail yards — and choose those they believe are most needed to ease traffic congestion and ensure the smooth flow of cargo.

The list will pinpoint "the things that are really important to do, that we need to do, sooner rather than later," said Barry Sedlick, undersecretary at the state Business, Transportation and Housing Agency, which is charged with crafting the plan in tandem with the state Air Resources Board.

"This plan is overdue," said T.L. Garrett, vice president of the Pacific Merchant Shipping Assn., adding that anyone who drives Los Angeles freeways "realizes we've neglected our infrastructure far too long."

But in the Friday letter, critics assert that planners are moving too quickly.

"We need a clear response that expansion of the goods movement system will be linked to implementation of a comprehensive mitigation plan to fully address community, environmental and health impacts," states the letter, co-signed by Barry Wallerstein, executive officer of the South Coast Air Quality Management District, and Jack Broadbent, executive officer of the Bay Area Air Quality Management District, along with leaders of several environmental groups.

The letter contends that working groups reviewing the plan are heavily stacked in favor of industry, and that public health scientists and community groups should be represented.

At a meeting Saturday in Los Angeles, Melissa Lin Perella, a staff attorney at the Natural Resources Defense Council, urged the state to make public a long-awaited assessment of how cargo transport currently affects public health in the Los Angeles area.

The council and other clean-air organizations have asserted that the Schwarzenegger administration has withheld that assessment for months

Mike Scheible, deputy executive director of the state air board, said Saturday that the agency's staff would produce "at least a draft" of a comprehensive health assessment by the end of November and hoped to follow in mid-December with a draft plan for reducing air pollution. Critics say that is too late for meaningful review.

A related air board report released in early October found that diesel fumes generated within the boundaries of the ports of Los Angeles and Long Beach are elevating the risk of cancer as far as 15 miles inland. The study did not account for pollution from trains and trucks outside the ports. Diesel fumes, which are carcinogenic, have also been linked to lung ailments such as asthma and to heart disease.

State officials say their goods movement plan will include ways to reduce emissions to 2001 levels by 2010 and to then impose further cuts.

The so-called goods movement industry supports one of every seven California jobs and contributes more than \$200 billion annually to the state economy, says the first part of the plan, released in September by the state Business, Transportation and Housing Agency and the state Environmental Protection Agency.

The boom in imports from Asia is expected to continue, with shipments of cargo containers projected to double by 2015 and perhaps even triple by 2025, the report states.

Business leaders say highway expansion and other projects are sorely needed to maintain California's role as a juggernaut of global trade.

They point to the infamous cargo jam in fall 2004 at the ports of Los Angeles and Long Beach, the nation's two largest container ports. A confluence of problems such as labor and rail car shortages caused dozens of ships to wait in line offshore, a financial fiasco that stirred concern in China and other Asian countries.

The new plan could help California obtain more federal transportation funds because it would identify the most important projects for cargo movement, rather than having a barrage of interests fend for themselves, some officials said.

"We need to speak with one voice," said Arthur B. Goodwin, planning director at the Alameda Corridor Transportation Agency. He said that in Washington, "They don't understand what 'No. 1' is, because they hear about 'No. 1s' from everybody."

The cargo boom has been blamed for increased levels of diesel particulate matter and nitrogen oxides, which recent health studies have linked to health problems such as stunted lung growth in children in highly polluted areas of Southern California.

Those studies have caused concern among residents near the Los Angeles-Long Beach port complex and along truck corridors and rail yards as far east as San Bernardino County. Similar concerns have surfaced in neighborhoods near the Port of Oakland, the state's third-largest seaport.

Public meetings on the plan will begin at 9 a.m. today and continue all week at Cal-EPA headquarters in Sacramento. More information and webcasts are available at the air board website, <http://www.arb.ca.gov>.

Other meetings on the plan are set for 10 a.m. Saturday at the Faulkner Gallery in Santa Barbara and 10 a.m. Nov. 12 at Central Park Senior Citizen Center in Rancho Cucamonga.

More discussion is expected Friday when the board of the South Coast Air Quality Management District holds a special meeting in Long Beach to report on the scope of port-related air pollution, discuss potential solutions and hear from the public. The meeting will begin at 9 a.m. at Long Beach City Hall.

Ag budget shakes up programs

Popular California items survive House process

by Michael Doyle, Bee Washington Bureau
Modesto Bee, Saturday, Oct. 29, 2005

WASHINGTON — Central Valley farmers harvested a mixed bag Friday as lawmakers rewrote agriculture programs for both the near and long term.

The region's cotton growers would lose one of their controversial subsidies but not until August, under a politically tenuous budget-cutting plan approved by a key House panel. Reformers and organic farming advocates likewise lost some last-minute labeling fights.

But in approving an \$83 billion Agriculture Department spending bill Friday morning, the House also spread money around some popular California projects. These include [studies of Central Valley smog](#) and the grape-threatening Pierce's disease as well as promoting fruit and vegetable exports.

"It's a series of compromises," said Fresno Democrat Jim Costa, a member of the House Agriculture Committee. "Under the circumstances, it's the best we can do."

By a 318-63 vote, the House approved the final version of the fiscal 2006 Agriculture Department spending bill. Upon Senate approval, this will now go to the White House for President Bush's signature.

Perennially popular among lawmakers, the agriculture appropriations bill includes money, policy declarations and some not-so-subtle steering of funds.

The bill, for instance, declares the city of Lodi as a rural area so that it is eligible for Rural Utilities Service loans and grants.

More directly, it serves up \$3.6 million for the University of California at Davis' grape genomics research center and roughly \$200,000 for agricultural research at California State University, Fresno.

[Ozone research in the valley, crucial for those with sensitive lungs as well as vulnerable crops, will be boosted with \\$401,000.](#)

In an even bigger move for the valley's fruit and vegetable growers, lawmakers included \$200million for the Market Access Program subsidies that assist exports. This is \$60 million more than last year, pleasing groups that have historically received the funds, such as the California Table Grape Commission, the California Prune Board and the California Kiwifruit Commission.

"It's really the only flexible dollars that we have that can do innovative marketing, and open up foreign markets," said Merced Democrat Dennis Cardoza, another member of the House Agriculture Committee.

The fruit-and-vegetable growers likewise pick up some federal sugar with a \$7 million provision for specialty crop grants. California's share is expected to be about \$900,000. This is the most Congress has ever provided for this specialty crop grant program.

"If we can do a better job with exports, it would be an economic generator for us," Cardoza said.

The bill also packs muscle of another kind, with language peeling off country-of-origin labels. Although Congress originally ordered the labels on fruits, vegetables, meat and seafood in the 2002 farm bill, lawmakers urged on by meatpackers and retailers repeatedly have postponed their implementation.

"Labeling products is simply a promotional tool for U.S. producers and an information tool for consumers," the Calaveras County Cattlemen's Association and Turlock-based California Dairy Campaign, and others, declared this week in an unsuccessful lobbying effort.

Lawmakers also slid in last-minute loopholes that permit the use of more synthetic food additives and processing aids in food labeled as organic.

On a separate track Friday, and voting along strictly partisan lines, the House Agriculture Committee approved a bill that's supposed to help cut the federal budget deficit. The bill, for instance, would eliminate the so-called "Step 2" cotton subsidy program next Aug. 1.

Keeping the program until next August actually amounts to a victory of sorts for the cotton industry. Even so, the fate of the overall budget-cutting bill remains up in the air. Even if the House and Senate finish a compromise bill, many of the supposed program cuts may be illusory.

"It's a lot of smoke and mirrors that will allow (Republicans) to push tax cuts," Cardoza said.

Factories Feeling the Heat From Gas Costs

High fuel prices are eating into profits and causing some firms to change their operations.

By Ronald D. White, Times Staff Writer

Monday, October 31, 2005

At La Brea Bakery in Los Angeles, the dough isn't the only thing that has been rising.

First came the fuel costs for the 32 trucks that ferry olive bread, sourdough baguettes and other crusty wares to restaurants and grocery stores from Santa Barbara to San Diego. Next came the cost of the ingredients, such as the 100% virgin olive oil, the flax seed and the California golden raisins, as suppliers passed on their rising energy costs.

But the one that figures to be as temperamental as the natural leavening crucial to a fine loaf is the cost of the natural gas used to operate some of the bakery's huge walk-in tunnel ovens.

In California last week, natural gas sold for more than \$11 per million British thermal units, a common measurement for large gas trades. Although that is far below the levels recorded during the state's 2000-01 energy crisis when gas briefly commanded about \$60 per million BTUs, the price is more than twice what it was a year ago.

In other parts of the country, the numbers are even more ominous. Natural gas futures, which were trading at \$2 to \$3 per million BTUs as recently as 2002, hit a record \$14.338 on Tuesday in New York. (A typical California home uses slightly more than 1 million BTUs a week.)

Those prices are sending shockwaves through the nation's manufacturers, which have already invested heavily in more energy-efficient equipment. Some, such as La Brea Bakery, are wondering how they will cope when their current natural gas contracts expire. Others are struggling to absorb skyrocketing gas costs.

"It's like an infection. It gets into everything," said John Yamin, chief executive of La Brea Bakery Holdings Inc. "It makes you reexamine every aspect of your business."

Natural gas is not only the fuel of choice behind many manufacturing processes, it is also a regulatory requirement in states with serious air pollution problems. Moreover, it is used in making thousands of products and in chemical industry processes.

"It's taking their breath away in addition to their money," said Frederick H. Pickel, who runs Los Angeles-based Wilshire Energy Consulting Group. "This is really creating a shock in terms of budget impacts for business where natural gas is a core component or even a peripheral one."

Costs could rise even more with predictions for a harsher-than-normal winter and slow post-hurricane recovery of natural gas production in the Gulf of Mexico. That has got the nation's factories clamoring for price controls and the lifting of barriers against natural gas drilling in coastal waters. They are also railing against what they call a contradictory national policy that has driven the widespread use of natural gas as a clean energy source even as environmental concerns conspire against increased domestic production and imports of liquefied natural gas.

"The U.S. is in a natural gas crisis," Andrew Liveris, chief executive of Midland, Mich.-based Dow Chemical Co., recently told the Senate Finance Committee. This year for the first time, Dow's energy costs are expected to exceed 50% of the company's overall sales, Liveris testified.

Paying \$14 per million BTUs for natural gas is the equivalent of forking over \$7 a gallon for gasoline, Liveris said. "This price renders the U.S. chemical industry — which uses natural gas as both a fuel and a raw material — simply uncompetitive with the rest of the world; in fact, it undermines all U.S. manufacturers," he said.

Antex Knitting Mills is feeling the heat.

On the edge of downtown Los Angeles, amid the clatter of knitting machines and the hiss of steam from dye-heating boilers, 400 workers knit, color and print about 1.5 million yards of fabric a week. Natural gas brings the dyes to the high temperatures needed to permanently penetrate fabric, and the fuel is costing Antex \$300,000 a month. In 2002, the monthly natural gas tab was \$75,000, President Bill Tenenblatt said.

"It's a disaster," Tenenblatt said. "We have absorbed it. We have kept our employees, but the profit gets smaller and smaller."

Antex hasn't raised its basic prices yet, opting to meet the energy costs head on by generating lucrative new business.

For years the company focused on knitted fabrics for junior, contemporary and children's clothing markets, but in the last 18 months it has branched off into athletic-wear performance fabrics. Such fabrics wick moisture away from the body better than more traditional materials and can command a higher price.

La Brea Bakery, founded by pastry chef Nancy Silverton in 1989 as a neighborhood bakery, has taken a similar approach.

La Brea has increased sales by 30% in the last year, to \$53.4 million, partly on the success of a new product: partially baked gourmet bread that its customers finish cooking in their own ovens. Backed by Irish food and agribusiness firm IAWS Group, which purchased 80% of La Brea in 2001, the company sells its products in 42 states and six foreign countries and may expand deeper into Europe.

La Brea's prices have risen about 5% overall, but selling more has softened the hit on consumers, Yamin said.

"Whether I'm making one loaf or 10 loaves, it's almost the same amount of time and labor involved," Yamin said. "We are trying to buy bigger and buy smarter."

Analysts are worried that aggressive business practices simply won't be enough because many businesses such as La Brea Bakery are still working off the energy they already bought when prices were lower.

"I am more worried about the long-term impact," said Phil Flynn, vice president and senior market analyst for Alaron Trading Corp. in Chicago. "We are seeing something that could really put the

economy at risk."

Kellie Johnson, who runs a small defense industry subcontractor in Torrance, has responded to expensive natural gas by adding 20% to the contract bids submitted by Ace Clearwater Enterprises. She has also joined forces with the National Assn. of Manufacturers to call for new natural gas exploration off the U.S. coast. Ace's problems were featured by the trade group during a recent news conference to urge the lifting of federal bans on new offshore drilling for oil and natural gas.

It's not just that the company's monthly natural gas bill is bigger, rising to \$14,000 from \$9,000 a year ago, or that suppliers have tacked on surcharges of 1% to 3%, said Johnson, whose company employs 178 people to make metal parts for military aircraft.

An even bigger problem for Ace is that it has seen an erosion in its competitive edge against much larger companies: the ability to deliver products quickly, Johnson said. In fact, Ace will be hard-pressed to match the \$28 million in sales it recorded last year, she said.

Before gas prices leaped, Ace would keep its foundry constantly running on low power so that it would be ready to heat rapidly to 900 degrees when needed. Ace now turns off the foundry between jobs. It takes 40 hours to restart and bring it back to operating temperature, and a contractor had to be hired to turn it on every week.

In addition, suppliers of Ace's special metal alloys hold off until they receive an order before they turn ingots into ready-to-use sheet metal, adding substantially to the time Ace must wait for components. In the past, suppliers had the sheet metal ready to go, but rising natural gas costs have caused them to hold off until they have a waiting customer.

"I'm sure we are losing on contract bids because of this," Johnson said. "It's killing my company."

EPA Studies Ways to Cut Warming Pollution

By JOHN HEILPRIN, Associated Press Writer
in the L.A. Times, Thursday, October 27, 2005

WASHINGTON (AP) -- Government studies released Thursday show a broad range of potential costs if the United States were to regulate carbon dioxide to curb global warming, from relatively cheap to expensive.

The Environmental Protection Agency said its analyses show the superiority of President Bush's plan for cutting air pollution from the nation's 600 coal-burning power plants.

But Bush's plan, which wouldn't regulate carbon dioxide at all, has been stalled in Congress since its introduction in 2002. Nonetheless, EPA compared it with current regulations as well as competing legislative proposals by Sens. Tom Carper, D-Del., and James Jeffords, I-Vt.

None of the proposals is expected to come up for consideration until next year at the earliest.

Bush's plan would cost utilities \$3 billion to \$6 billion a year to cut nitrogen oxides, sulfur dioxide and mercury by 70 percent, EPA said, but would generate up to \$143 billion in health benefits by 2020. Nitrogen oxides cause smog, sulfur dioxide causes acid rain and mercury is a neurotoxin widely blamed for developmental disorders in some children because it gets into the food chain through fish.

The president rejected the 1997 Kyoto pact that requires industrial nations to reduce carbon dioxide, saying it would cost the U.S. economy \$400 billion and almost 5 million jobs.

The EPA analysis, however, put the cost at much less. Under the Carper scenario, the agency said, federal controls to reduce carbon dioxide would cost \$2.5 billion to \$5 billion by 2013. More stringent controls under the Jeffords approach would cost \$32 billion to \$54 billion by 2010, EPA said.

Dan Riedinger, a spokesman for the Edison Electric Institute, a utility trade group, said the "relatively inexpensive" costs of cutting carbon dioxide under Carper's bill would result from industry switching from coal to natural gas to cut mercury pollution.

EPA, however, said none of the plans would lead to much of a reduction in coal production, which has been a big worry, particularly among lawmakers from coal-producing states.

Carper's bill would cut 10 tons of mercury and 1.7 million tons of nitrogen oxides by 2013, and reduce 2.25 million tons of sulfur dioxide by 2016. It also would cut almost 2.5 billion tons of carbon dioxide by 2013. EPA estimated it would cost \$8 billion to \$10 billion a year, but generate up to \$161 billion a year in health benefits by 2020.

Jeffords' plan would cut 1.5 million tons of nitrogen oxides, 2.25 million tons of sulfur dioxide and 5 tons of mercury by 2010, and reduce 2 billion tons of carbon dioxide by 2010. It would cost \$41 billion to \$51 billion a year, but provide up to \$211 billion a year in health benefits by 2020, EPA said.

The study used 1999 figures to compare the three proposals and current regulations. Sen. James Inhofe, R-Okla., chairman of the Senate Environment and Public Works Committee, called the modeling helpful even though it made "unrealistic assumptions" that natural gas prices wouldn't soar.

EPA Administrator Stephen Johnson told reporters the study was the most comprehensive analysis of competing legislative proposals that the agency has ever done.

"I believe there is common ground among a number of the legislative proposals," he said. "Now we can have the most informed debate there's ever been."

ZAP Has Big Hopes for Brazilian Mini-Car in U.S.

The California company will import two Obvio models, which run on gasoline or ethanol.

From Reuters

in the L.A. Times, Monday, Oct. 31, 2005

SAO PAULO, Brazil — When a little-known company from California placed a \$1-billion order for Smart mini-cars from DaimlerChrysler last spring, the struggling auto giant said thanks, but no thanks.

So the company, an environment-conscious distributor of alternative vehicles called ZAP, went shopping and found what it was looking for — in Brazil. There, a small start-up called Obvio was busy developing a sporty and economical mini-car for export.

Desperate for lucrative mini-car orders from dealers in the United States, Santa Rosa-based ZAP gambled on Obvio's slick designs and in September bought 20% of the Brazilian company, even though it has never put a car on the road. ZAP also ordered 50,000 mini-cars, allowing Obvio to benefit from Daimler's retreat.

"What we're getting here is Italian-style quality that people know and love, with Chinese pricing," said Steve Schneider, ZAP's chief executive. "That sounds like a winning combination to me."

The Obvio 828, a three-passenger microcar designed for city driving, grabbed ZAP's attention first.

Modeled after a similar vehicle briefly sold in Brazil in the 1980s, the 828 will be equipped with a four-cylinder, 1.6-liter, 170-horsepower engine designed to go from zero to 60 mph in just 5.2 seconds.

Obvio also is developing a sportier model called the 012, with extra horsepower and a race-car design.

The 828 is expected to retail for about \$14,000, and the price tag on the 012 should be twice that amount.

Both cars will be small enough to fit sideways in a parallel parking space, and will be engineered to run on gasoline or ethanol, or any mix of the two.

They also will come with a personal computer on the dashboard that runs Windows XP, allowing drivers to download music and digital radio streams.

Obvio and ZAP, short for Zero Air Pollution, plan to showcase prototypes of the cars at the San Francisco International Auto Show in late November, even though the first vehicles are not expected to be on the road until 2007.

Because they get high gas mileage and are easy to maneuver and park on narrow streets, mini-cars are starting to carve out a niche in Europe.

But some analysts doubt they will ever take off in the United States, where supersized sport utility vehicles dominate the streets.

Even the Smart car, which was designed with the European market in mind, has struggled to kick into gear. Since the car's debut in 1998, Daimler has lost money every quarter on it, forcing the company this year to scrap two of its models.

Brazilian history is littered with examples of failed attempts to create an auto product, the most recent being a short-lived fiberglass car called the Gurgel. Brazil's auto industry has long been dominated by big multinationals such as General Motors Corp. and Volkswagen.

"I hope Obvio is successful, but I just don't see too many chances at this working out," said Andre Gomide, who runs a local news agency that tracks Brazil's auto sector.

Executives at Obvio are certain they will succeed where others have not, by keeping a lid on costs and outsourcing the production process to suppliers who will be required to open a unit in the Obvio plant near Rio de Janeiro.

"Obvio doesn't manufacture anything," Ricardo Machado, the company's founding partner, said. "The only thing we do is handle marketing, sales and design."

And to avoid maintaining costly inventories, a practice that burdens automakers worldwide, Obvio will give the green light to assemble a car only once it is paid for.

"The operation guarantees great returns for everyone involved," said Machado, who is also negotiating with potential distributors in Europe and Japan.

As for whether Americans are ready to abandon their big gas guzzlers for mini-cars, both Obvio and ZAP are betting that demand for smaller, fuel-efficient vehicles is sure to grow now that high oil prices appear to be here to stay.

ZAP's Schneider says demand for the offbeat cars is so hot that he has stopped taking orders for now.

"In the United States, everyone makes a statement with their automobile," he said. "These vehicles give you the capacity to be noticed without being too pretentious."

[Modesto Bee, Guest Column, Monday, Oct. 31, 2005](#)

Staying the course for cleaner air in the Valley

By DAVE CROW

To borrow shamelessly from a sports-drink advertisement: Is it in you?

The stamina to stay the course in the next crucial mile of the race to clean the San Joaquin Valley's air, that is.

By complying with the Check Before You Burn program, valley residents the past two winters have helped the air basin record some

of its cleanest wintertime air data in years. If concentrations of particulate matter known as PM10 remain low through Dec. 31, the valley could meet an important federal health-based standard.

PM10 is a harmful mix of soot, chemicals, dust, salts, smoke and toxins that can lodge deep in the lungs. Exposure to PM10 can trigger heart attacks, increase risk for lung cancer, aggravate conditions such as asthma and bronchitis, and reduce lung function.

On winter days when air quality is poor, uncontrolled residential wood burning could be responsible for up to one-third of all PM10 emissions in the valley's urban areas. But residents understand the importance of cleaning up the air and are choosing to reduce their personal contribution to air pollution.

The Check Before You Burn program prohibits the use of wood-burning fireplaces on days when air quality is unhealthy for the general public and discourages wood burning when air quality is unhealthy for sensitive groups. Public compliance with the program has been a critical factor in improving air quality. In 1990, the valley exceeded the federal daily PM10 limit on more than 55 days. That dropped to 12 days by 2001, and no days of exceeding the limit have been recorded since 2002. That's monumental progress.

All of us are bracing for the anticipated jump in natural-gas prices this winter. But it's as important as ever to stop and think before lighting a fire. Despite the picture of coziness that a roaring fire brings to mind, wood fires are not nearly as heat-efficient as we might think. In fact, most of the heat from an open-hearth fire goes up the chimney.

Although meeting the federal PM10 standard would be a major milestone in our journey toward cleaner air, such success won't mean regulations can be relaxed or public cooperation is no longer needed. We have much work ahead to meet the more stringent state PM10 standard, as well as state and federal standards for PM2.5 and ozone, the primary ingredient in smog.

The valley continues to make major strides toward meeting those standards. The valley air district is the first major district in the state to regulate residential fireplaces to reduce particulate emissions.

The district's governing board has adopted about 500 rules or amendments, resulting in a nearly 50 percent reduction in air pollution from stationary sources such as refineries and manufacturing plants. The air district has distributed about \$100 million for voluntary emission reductions.

We all deserve recognition for working together to meet important air-quality goals. By continuing the collaboration and leading the state in air-quality innovation, we can clean up our air.

Crow is air pollution control officer for the San Joaquin Valley Air Pollution Control District.

[Bakersfield Californian, Editorial, Monday, Oct. 31, 2005:](#)

Air board's decision helps clear the air

California air quality officials served notice recently that they are committed to making the air cleaner in the state. Good for them.

In separate actions after heated public hearings in Sacramento, the state Air Resources Board voted to require truckers to kill their engines before taking naps. They also voted to require transit agencies to gradually fit fleets of dirty diesel buses with new pollution filters.

Starting in 2008, truck drivers dozing off in their sleeper cabs must turn off their engines.

In 2004, the board ordered truckers to shut down after idling for five minutes, but exempted sleeping truckers so they could run their heaters or air conditioners.

Clean-air advocates argued the rule was necessary because it would reduce dirty air for residents living near trucking hubs. They said this would be particularly beneficial to those residents who suffer with asthma. In addition, they said it would save 160 million gallons of fuel each year in the state.

The air board's staff studied the sleeper cab issue for a year and concluded that various devices could be used to heat and cool cabs more cleanly and efficiently. The diesel bus regulation won't affect the Golden Empire Transit agency since 57 of its 79 buses already are fueled by cleaner compressed natural gas. The entire fleet should be fueled by CNG by February, according to GET chief Chester Molen.