

## **State could get tough on dirty diesels**

**State's Air Resources Board will vote on costly measures to limit big-rig pollution.**

By Margot Roosevelt

L.A. Times, Thursday, December 11, 2008

Two decades ago, Rosa Vielmas, young and hopeful, moved to Riverside County for cleaner air. Goodbye to smoggy East Los Angeles. Hello to Mira Loma, an unincorporated speck of a village, and a one-story stucco bungalow with a yard. "We could see the stars," she recalled.

But that was before Mira Loma became one of Southern California's "diesel death zones," as activists call the truck-choked freeways and distribution hubs that fan out from the massive ports of Los Angeles and Long Beach.

Today, a blanket of smog and dust smothers Mira Loma's grimy subdivisions. "You think the warehouses will bring work and money," said Vielmas, 44, who became a community organizer after her two grandsons developed asthma, which she blames on diesel pollution. "The cost of industrialization -- we are paying for it with our health."

This week, a decades-long struggle between California regulators and the national trucking industry will come to a head in Sacramento when the Air Resources Board votes on whether to require owners to fit about 230,000 heavy-duty trucks with diesel exhaust traps and replace about 350,000 older, dirty engines over the next 15 years.

### **Big-rig crackdown**

The crackdown is unprecedented: No other state requires existing trucks to be retrofitted or retired. And it raises thorny interstate commerce issues: Any big rig that travels through California, no matter where it is registered, would be affected.

At a cost of \$5.5 billion, the diesel rule, which covers trucks and buses, would be the most expensive air pollution regulation ever adopted in California.

Regulators say, however, that the cost of failing to act would be far higher. Heavy-duty rigs are responsible for a third of all the smog in California. State officials project that the new rule would save 9,400 lives between 2010, when it takes effect, and 2025. With tens of thousands of hospital admissions linked to air pollution, Californians would save up to \$68 billion in healthcare costs in the first 15 years, according to economists for the air board.

Last week, 17 national and state health groups, including the American Heart Assn., the American Cancer Society and the California Medical Assn., called for passage of the rule, noting that half of all Californians live within a mile of a freeway.

"These pollutants are taking a serious toll on California's public health," they wrote to the air board, adding that diesel exhaust can cause respiratory and cardiovascular disease, cancer and premature death.

But with the nation spiraling into recession, employment plunging and credit scarce, is this the time to impose a costly regulation on a vital industry?

Fleet owners have held news conferences in Ontario, Bakersfield, Fresno and other cities, demanding that the rule be relaxed and postponed.

Diesel traps cost up to \$15,000, a stiff burden for small operators, many of whom are struggling to meet payments on trucks worth up to \$130,000 each. And big rigs can be driven for as long as 25 years, so replacing them early would be expensive.

"This rule will likely put me out of business and over 60 people out of work," Ron Silva, chief executive of Westar Transport in Fresno County, told the Air Resources Board. "This rule can cripple the California economy as we know it. . . . Farmers will not be able to afford to have the crops hauled out of the field."

If shipping fees rise, Southern California ports, which handle 40% of the nation's containerized imports, could lose business to Canadian and East Coast terminals. Out-of-state truckers are already threatening to stay away. "As you regulate more, the more we will refuse your freight," warned Nathan Peaslee, a Michigan driver who hauls potato chips and televisions.

The state is promising truckers more than \$1 billion in subsidies to make the transition. Nonetheless, the American Trucking Assn. is expected to fight the rule in court. Air board lawyers are confident the state can fend off a legal challenge. Judges, they say, will take into account the fact that California cannot meet a federal mandate to clean its air without a tough diesel rule.

In Mira Loma, the trade-offs are etched in stark relief.

Stop by the one-bedroom cottage where Vielmas' daughter, Ana Gomez, 23, cares for her 2-year-old son Julio. Gomez's husband has a job painting buses at a nearby depot.

But Julio pays the price of pollution. On the kitchen table is a bill for asthma drugs and a nebulizer that sprays a mist of medication through a face mask. "Sometimes he chokes and turns purple," Gomez said. "I have to take him to the hospital."

There is no history of asthma in the family. Vielmas and Gomez blame the trucks. Pollution is known to aggravate asthma symptoms although the causes of asthma remain a subject of debate.

"We're known as the 'Warehouse Capital of Southern California,' " said Vielmas, speaking Spanish. A five-minute drive from home, acres of shipping terminals surround a Union Pacific rail yard. Stacks of steel containers roll along the tracks.

Trucks stream in and out of vast parking lots: Wal-Mart, Costco, Sears, Thomson, Hyundai. Imported goods are unloaded, repacked and hauled out. Across from fast-food joints, tractor-trailers idle -- illegally -- running their air conditioning.

"When we moved here, my husband milked cows at a dairy," Vielmas said. The dairies have been crowded out by warehouses, and now her husband operates a forklift at one of them.

### **Pollution study**

Vielmas steers through an intersection off California 60 where, two years ago, she and Gomez were trained to count vehicles and measure emissions for a USC air pollution study. In one hour, they counted 445 trucks and 2,125 cars. Other teams tallied up to 800 trucks an hour on nearby streets.

Unlike gasoline-powered cars, which feature catalytic converters, today's diesel trucks are mostly unregulated. Federal standards will require clean engines in new models as of 2010, but Mira Loma residents say they cannot wait decades for hundreds of thousands of trucks to be retired. The USC study of 12 Central and Southern California communities found that Mira Loma children had the lowest lung capacity compared with other areas -- a handicap likely to affect them for life.

The findings infuriated the community. A local group, Center for Community Action and Environmental Justice, where Vielmas first volunteered and recently began to work full-time, mounted a billboard over the freeway. It read "Welcome to Riverside County! We're #1: Dirtiest Air in the Nation; Deadly Health Impacts."

## **School affected**

Across from the rail yard, where tens of thousands of imported cars are loaded on to tractor-trailers, Vielmas gestures toward Jurupa Valley High School, where students are exercising on the fields.

"When they played games here, they had to use inhalers. When they played at other schools, they didn't have to use them," Vielmas recalled.

Eventually, parents concluded that the rail yard exit across the street was a major cause. After three years of demonstrations and political pressure, truckers were required to switch to a different gate, said Vielmas, whose four children attended the school.

Now community activists are demanding 1,500-foot buffer zones between homes and warehouses. And they are battling a proposed 425-home subdivision near a planned six-lane truck route, saying that health risks should be disclosed to buyers.

Would Vielmas and Gomez think of moving away? They hesitate. In Mira Loma, most everyone is related to everyone else, or at least acquainted. "This community was here first, and then the warehouses came," Vielmas said.

They see no contradiction between their husbands' jobs -- dependent on the truck-hauling economy -- and their activism. Truckers experience higher lung cancer rates than the general population, according to health authorities. During the election, Vielmas, born in Mexico and now an American citizen, knocked on 200 doors for a voter-registration drive.

"I hear their stories," she said. "Many people are suffering."

So Vielmas and her family won't leave. This week, they are looking to Sacramento for relief. "We want regulations," she said. "We want them enforced. I want to keep fighting."

## **State air regulators consider new rules to require cleaner diesel trucks Farm Bureau spokeswoman says they can live with rule**

BY JAKE HENSHAW, Sacramento Bureau

Visalia Times-Delta and Tulare Advance-Register, Thursday, Dec. 11, 2008

SACRAMENTO — In the next two days, state regulators will consider giving big truckers new marching orders to help clean up the air.

The target: sooty emissions.

By Friday, the California Air Resources Control Board may require nearly a million diesel trucks to phase in exhaust filters and new engines at a cost of tens of thousands of dollars and more per truck.

While the air board said it has \$1 billion to help pay the bill, small truckers say the cost of complying with the new rules will drive some of them out of business, especially in the current recession.

"It would be devastating to both the local and state economy, not only for the trucking company but their families and their vendors," said Kelly Kyle of Faulkner Trucking Co. in Tulare. "The snowball effect would be unbelievable."

The agriculture industry, which uses a wide array of diesel engines, has negotiated changes with the air board staff that its representatives said their industry can live with.

"I wouldn't say [the ag industry] is happy with the [proposed] rule," said Patricia Stever, executive director of the Tulare County Farm Bureau. "We are at the point where we think the compromise can work for the industry."

### **Preventing deaths**

For clean-air advocates and the air board staff, the proposed rule is essentially a lifesaver, intended to control the diesel emissions of tiny particulates known as PM 2.5 and of nitrogen oxides that lodge in the lungs and help form smog.

The air board estimates that between 2010 and 2025 the rule would prevent 9,400 premature deaths, cut the number of asthma-related cases by 150,000 and lead to 950,000 fewer lost work days. It says the economic value of these health benefits is between \$48 billion and \$68 billion.

"In a way, people have been subsidizing the trucking industry with their health," said Diane Bailey of the Natural Resources Defense Council.

### **Regional comments**

The proposed rule has drawn a range of comment from some regional air boards.

The San Joaquin Valley San Joaquin Valley Air Pollution Control District has not formally acted on it, but Executive Director Seyed Sadredin said the Valley needs major emission cuts by diesel trucks because they contribute half the pollution.

"If we shut down all the business in the Valley, we wouldn't make a dent [in the pollution problem] if we still had those trucks [unregulated]," he said.

The proposed rule is the latest and most significant step by the air board to extend control over diesel emissions in the state.

Diesel emissions from trucks make up 28 percent of all the PM 2.5 and NOx pollution produced in the state, according to the air board.

It's driven in part by the need to meet federal air-quality standards so the state will avoid the potential penalty of losing millions of dollars in transportation funds.

The penalty for truckers who fail to comply with air pollution rules can be up to a \$1,000 per violation per day for some offenses.

### **Schedule**

The new rule would set out a schedule for all diesel trucks, based in or out of state, driven more than 1,000 miles a year generally to install filters for particulates between 2010 and 2014 and to upgrade engines to 2010 equivalents between 2012 and 2022.

There are a variety of exceptions, including fleets of three or fewer trucks, which wouldn't have to meet new requirements until 2013.

Agriculture truckers who drive them seasonally or for other low-mileage uses such as fertilizer deliveries also would get more time to comply.

For example, any agricultural truck traveling less than 10,000 miles annually is exempt until 2023, with other delays based on a combination of mileage and truck age.

### **Specialty vehicles**

Further, specialty agricultural vehicles such as nurse rigs and cotton module trucks will get unique treatment.

The state air board estimates the cost of meeting the new regulations at about \$5.5 billion between 2010 and 2025 and points to its \$1 billion in financial aid as a way to help the neediest truckers.

"A drop in the bucket," Sadredin said of the money, noting that only about half the funds would go to truckers and the rest to uses such as rail and ports.

Sadredin said the San Joaquin Valley alone needs \$2 billion to pay half the cost for truckers, who then would have to cover the remaining cost.

### **Loan program**

The state air board is working on a low-interest, government-backed loan program that would leverage a \$50 million pot of aid up to \$350 million to help truckers pay the bills, said Erik White, chief of the office responsible for the diesel-engine regulations.

"We think that is emerging as a cost-effective way for the state to spend its resources and still provide relief," White said.

Truckers said that some of them can't qualify for state aid because they don't drive enough miles, and that the recession makes any financing difficult and has already driven enough truckers out of business to reduce their industry's emissions.

"Cleaning up the air is fine," said Jim Ganduglia of Ganduglia Trucking in Fresno, joining other truckers in calling for more time to comply to avoid job losses. "They don't care about the economy."

The state air board concedes that there will be some job losses if the new diesel rules are adopted — between 4,600 and 13,600 jobs in the highest cost year of 2013 — but contends that the new rule will contribute to the growth of green jobs.

"In the long run, what you are going to see is the California fleet is going to be more modern, more efficient and new industries are going to spring up," White said, though he conceded that he hasn't been able to calculate the number of new jobs.

## **California air board to vote on plan to slash emissions**

By Chris Bowman

Sacramento Bee, Thursday, December 11, 2008

Today and Friday are expected to be monumental in California's fight against global warming and air pollution.

The state Air Resources Board is set to vote today on a sweeping 12-year strategy for slashing climate-altering emissions that would affect the type of cars Californians drive, the electricity they use to light their homes and even the location of future homes and jobs.

Then on Friday, the governor-appointed air board is expected to approve regulations requiring owners of nearly 1 million heavy-duty trucks to thoroughly clean up diesel exhaust, which is believed responsible for as many as 9,000 deaths a year statewide.

"It is probably the most significant board meeting we have had in decades," said Thomas Cackette, the board's deputy executive officer.

The voting comes at a politically good time from the view of state regulators, public health advocates and others seeking to influence a national response to global warming.

President-elect Barack Obama has said he intends to quickly reverse the Bush administration's decision last December to deny California authority to curb heat-trapping carbon emissions from automobiles.

Obama on Wednesday reportedly was ready to name two officials from California – Steven Chu, the director of the Lawrence Berkeley National Laboratory, and Nancy Sutley, deputy mayor of Los Angeles for energy and environment – to top energy and environmental posts. Those appointments would add to California's growing clout in crafting federal climate change regulations.

Continuing business as usual in other states and nations would overwhelm any progress California makes in cutting global warming gases.

The California air board's impending actions also come at an economically bad time, with heavy opposition from the trucking industry, which is struggling under the slowdown in movement of goods.

Independent truckers and owners of small fleets are among the louder opponents.

"What gives you the authority to tell me that not only do I have to junk my truck, but that I also lose the capital investment that I already have in it?" Mark Binkley, a Southern California trucker, said in an e-mail to the board.

"If you want to purchase my truck for what I paid for it, then fine," said Binkley, who bought a 1989 Peterbilt rig two years ago for \$75,000.

State air regulators point out that the requirements to install soot traps on older rigs or switch to cleaner-burning engines don't take effect until 2010 and allow up to 13 more years for compliance, depending on the model year and size of the fleet.

A coalition of truck owners, grocers and construction contractors has proposed an alternative that phases in the requirements over a longer period at less cost.

Board Chairwoman Mary Nichols said the truckers' plan would put Southern California and the San Joaquin Valley in violation of federal clean-air standards by 2014, resulting in more heart attacks, lung disease and deaths.

"The health impacts are so staggering," Nichols said, pointing out the estimated 9,000 deaths that would occur under business as usual.

"The numbers are just hard to argue with, and nobody is arguing with them," Nichols said. "The only argument is that we shouldn't be doing this in hard economic times."

Exhaust filters cost \$10,000 or more, new engines several times that, and a new truck well over \$100,000. Trucks built since 2005 already are equipped with the soot traps.

The big-rig trucks, large delivery trucks and airport shuttle buses are the last of the diesel-powered vehicles and equipment to come under the soot-cutting knife of the air board, following similar rules for garbage trucks, municipal buses and off-road construction and farming vehicles and equipment.

But the number of these heavy-duty vehicles, along with their heavy weight, high mileage and longevity, makes them the single-largest source of toxic air pollution in California, air board officials said.

The regulations would dramatically cut emissions of tiny diesel exhaust particles and smog-forming nitrogen oxides from more than 400,000 diesel vehicles registered in the state and another 500,000 out-of-state trucks that pass through California each year.

In 1998, the board declared the particles in diesel exhaust a "toxic air contaminant" because of their potential to cause cancer and premature heart- and lung-related deaths in adults.

The particles are small enough to evade the lung's defenses and enter the bloodstream, raising the risk of heart disease as well as respiratory illness.

Numerous studies since then have strengthened the link between lung cancer and heart disease and diesel exhaust, particularly among truckers and dock workers.

## **Calif. considers tough greenhouse gas restrictions**

By Samantha Young - Associated Press Writer  
Merced Sun-Star, Thursday, December 11, 2008

SACRAMENTO -- California's utilities, refineries and large factories must transform their operations to cut greenhouse gas emissions as part of a new climate plan before state regulators.

The California Air Resources Board is expected Thursday to adopt what would be the nation's most sweeping global warming plan, outlining for the first time how individuals and businesses would meet a landmark 2006 law that made the state a leader on global climate change.

It would hold California's worst polluters accountable for the heat-trapping emissions they produce - transforming how people travel, utilities generate power and businesses use electricity.

At the heart of the plan is the future creation of a carbon-credit market designed to give the state's major polluters cheaper ways to cut emissions.

If adopted, the plan would set clear strategies for how the country's most populous state plans to cut emissions at a time many governments around the world are struggling with a financial crisis that threatens to undermine efforts to fight climate change.

California's 2006 law, called the Global Warming Solutions Act but commonly referred to as AB32, mandates the state cut emissions to 1990 levels by 2020.

The strategy chosen by air regulators relies on 31 new regulations affecting all facets of life, from what fuels Californians put in their vehicles to what kind of air conditioners businesses put in their buildings.

The average Californian, for example, could expect to pay to have their car tires inflated during oil changes and have higher power bills as utilities try to increase their use of renewable energy.

They could also see more fuel efficient cars at dealerships, better public transportation, housing near schools and businesses, and utility rebates to equip their homes to be more energy efficient.

New fees and reporting requirements would accompany the emission rules.

Finding the right ways to implement California's target has not been without controversy.

Republicans, small businesses and major industries that would be forced to change their operations beginning in 2012 say jobs could be lost, companies might leave the state and energy prices would skyrocket.

The air board's background work has been criticized in reviews by California's nonpartisan legislative analyst and independent scientists, with both groups saying the costs to the state could be greater than projected. Republican state lawmaker Roger Niello of Fair Oaks has asked the board to postpone its vote and perform a more thorough economic analysis.

An air board analysis published in September projected California's economy would grow at a faster rate than if it did nothing to cut emissions. It also estimated 100,000 more jobs would be created and the average California household would save \$400 a year by driving more fuel-efficient vehicles and living in more energy-efficient homes.

Mary Nichols, chairwoman of the air resources board, said she was optimistic the country would be out of a recession by the time California's industries, commercial businesses and individuals would have to begin complying with emission regulations in 2012.

With all the measures in force, the air board projects the cost to the state at \$25 billion in 2020, but said that would be more than offset by the savings - which it estimates at \$40 billion that year. Supporters of the law also hope it will make California a leader in green technology, attracting investments and jobs.

Most of the reductions in California's emissions will come from more detailed regulations that will be written over the next few years, including rules governing a cap-and-trade program that launches in 2012 to help the largest polluters achieve emission cuts.

But allowing businesses to buy their way out of the problem is another contentious part of the plan. Representatives of California's poor communities say the polluting power plants, refineries and factories in their neighborhoods could write a check rather than cut emissions.

## **California strategies to meet climate goals**

The Associated Press

Merced Sun-Star, Thursday, December 11, 2008

California air regulators this week are poised to adopt a global warming plan outlining how the state will cut its greenhouse gas emissions over the next 12 years. The Air Resources Board says emissions must be cut by nearly a third to meet the targets mandated in a 2006 law signed by Gov. Arnold Schwarzenegger.

If the plan is adopted, it will provide a broad outline for specific rules that state air regulators will consider in the coming years. The first requirements will take effect in 2012.

Here are some of the strategies for how California plans to cut emissions to 1990 levels by 2020, or roughly a third of current levels:

### **CARBON TRADING:**

- Impose an emissions limit or cap on utilities, oil and natural gas refiners, transportation fuels, and large industrial sources that are responsible for most of the state's greenhouse gas emissions.
- Allow those large polluters to gradually lower emissions by participating in a cap-and-trade market intended to achieve emission reductions at the lowest cost possible.
- Link a California trading market to a western regional market now being developed by seven western states and four Canadian provinces.

### **TRANSPORTATION:**

- Implement a 2002 California law requiring automobile manufacturers to make less polluting vehicles. The Bush administration has blocked California's regulation from taking effect, but state air regulators expect President-elect Obama's administration will back it.
- Require fuel providers to reformulate transportation fuels so they are a combined 10 percent less carbon-intensive by 2020.
- Give local governments incentives to curb urban sprawl in an effort to reduce how far people drive from home to work or school.
- Support ongoing state efforts to build a high-speed rail system in California.



- Require cargo and cruise ships to turn off their engines while docked at port and use less polluting shoreline power systems.
- Possibly require more efficient engines in big rig trucks that carry cargo around the state.

#### ENERGY:

- Require utilities to generate 33 percent of their electricity from renewable sources such as wind, solar and geothermal by 2020.
- Strengthen energy-efficiency standards for appliances, as well as existing and new buildings.
- Lower the energy associated with the use, transport and treatment of water in California.
- Continue programs that fund incentives for installing solar roof panels and solar water heating systems.
- Require power plants, refineries, cement plants and major industrial facilities to complete an energy-efficiency audit to find places to cut emissions.

#### INDUSTRY:

- Most of the emission cuts from this sector would be accomplished under the cap-and-trade program.
- Require oil and gas refineries to reduce methane emissions during production and transportation.
- Limit flaring at oil refineries.

#### FORESTRY AND AGRICULTURE:

- Encourage projects that preserve and better manage forests to store carbon dioxide.
- Encourage voluntary emission reductions by supporting manure digesters.

#### TRASH AND RECYCLING:

- Capture methane emissions from landfills.
- Increase recycling and reduce trash going to landfills.

### **Auto bailout deals blow to California air-quality efforts**

By Rob Hotakainen, McClatchy Newspapers  
Merced Sun-Star, Thursday, December 11, 2008

WASHINGTON Jobs took priority over the environment Wednesday on Capitol Hill.

After getting ensnared with an effort to give a \$15 billion bailout to the automobile industry, California's air-quality standards took yet another blow when congressional Democrats tried to sidestep a fight with the White House.

Democrats abandoned a plan that would have barred car companies from pursuing lawsuits against California and other states that want to implement tougher tailpipe emission standards.

Backers of California's efforts wanted to attach the plan to the bailout bill, but opponents said it would further hurt the profitability of car manufacturers. The White House threatened to veto the bill if Democrats wouldn't yield.

Under the Federal Clean Air Act, California has the right to set its own vehicle-emissions standards but needs a waiver from the Environmental Protection Agency to do so. The White House consistently has opposed the waiver, angering environmentalists and California lawmakers.

Democratic Sen. Barbara Boxer of California, chairwoman of the Senate's committee on the environment, said car manufacturers "should embrace the waiver" instead of fighting California, but she's expecting President-elect Barack Obama to sign it and does not want Congress to address it now.

"My own view is at a time like this, with - with unemployment wreaking havoc in our country, this is not the time to jeopardize 3 million jobs," she told reporters Monday at a news conference. "By the way, those of you who are from California, 200,000 jobs are directly related to the Big Three."

The language prohibiting lawsuits against California was included in the bailout bill as of late Tuesday night. A high-ranking Democratic aide who is close to the negotiations between Congress and the White House, speaking on the condition of anonymity because the aide wasn't authorized to talk about the bill publicly, said it was removed when it became clear the president wouldn't sign the bill.

The aide said Democrats ultimately decided the matter was largely symbolic because Obama is backing the California waiver and is likely to approve it early next year.

Democratic Rep. Ed Markey of Massachusetts, chairman of the House Select Committee on Energy Independence and Global Warming, said the proposed auto bailout offered an opportunity to get California's waiver approved. And he said that auto companies need to stop litigating against states that want to improve air quality.

Markey said that recovery for the automobile industry should require "a change of culture, a culture that answers challenges with innovation rather than lobbying and litigation." Markey authored legislation that resulted in the current fuel economy standards of at least 35 miles per gallon by 2020.

## **EPA scraps effort to ease pollution rules**

Dina Cappiello, Associated Press

In the S.F. Chronicle and other papers, Thursday, December 11, 2008

Washington -- Six weeks before leaving office, the Bush administration is giving up on an eight-year effort to ease restrictions on pollution from coal-burning power plants, a key plank of its original energy agenda and one that put the president at odds with environmentalists his entire tenure in the White House.

President Bush had hoped to make two changes to air pollution regulations final before leaving office on Jan. 20. In the midst of a coal-fired power plant construction boom, the rules would have made it easier for energy companies to expand existing facilities and to erect new power plants in areas of the country that meet air quality standards.

But the Environmental Protection Agency on Wednesday conceded that it doesn't have enough time to complete the rules changes, which were undermined by a federal court decision earlier this year that scrapped a signature component of Bush's clean air policies.

The EPA, in a statement, said it "will continue to advocate for the important health benefits" the initiatives would have achieved.

Environmentalists, however, said the decision will leave intact for the incoming Obama administration the strongest tools under the law for dealing with power plant pollution.

"It's stunning. This is the most high-profile prize sought by the utility industry," said John Walke, a lawyer with the Natural Resources Defense Council. "It would have entangled the incoming administration up in a new rule-making process while causing harm in many parts of the country."

The proposal would have changed how existing coal-fired power plants calculate emissions increases to determine whether they need to install pollution control equipment. The Bush administration wanted to base the calculation on an hourly rate, rather than an annual average. Environmentalists and governors of Northeastern states said such a change would have resulted in more of the pollution that causes acid rain and smog problems in the region.

The second rule would have made it easier for power plants to be built in areas with some of the cleanest air in the country by changing how states, the EPA and others assess how the new source would affect air quality. That proposal was opposed by the National Park Service and some of the agency's own regional air quality experts.

## **Effort to Relax Pollution Limits Is Dropped**

By Felicity Barringer

N.Y. Times, Thursday, December 11, 2008

The Bush administration said Wednesday that it was abandoning its pursuit of two proposed regulations relaxing air-pollution standards for power plants, surprising both industry and environmentalists by ending its pursuit of one of the last remaining goals set out by Vice President Dick Cheney's Energy Task Force in 2001.

The Environmental Protection Agency's public affairs office sent out a brief statement by e-mail announcing that it would not pursue the changes in how power-plant emissions are measured, which would have allowed increases of hundreds of thousands of tons of sulfur dioxide and nitrogen oxides, the building blocks of smog and fine-particulate pollution.

That proposal had been opposed by senior agency officials, both in the enforcement section of the agency's Washington headquarters and in regional offices like San Francisco.

An agency representative also confirmed that the administration was giving up its effort to make it easier for utilities to put new power plants near national parks, by weakening existing protections intended to prevent deterioration in the parks' air quality. In the past decade or so, visibility has diminished at parks from the Grand Canyon in Arizona to the Great Smoky Mountains in Tennessee to Acadia in Maine.

Jonathan Shradar, an agency spokesman, said Wednesday evening that the agency made the decision despite weeks of frantic work trying to complete the rules. The White House said months ago that no new rules should be imposed in the administration's last days.

"We didn't want to be faced with putting a midnight regulation in place," Mr. Shradar said. "It was better to leave those incomplete rather than force something through."

The administration has pushed through other rules affecting the environment in recent weeks, including one that makes it easier for coal companies to dump debris in nearby streams and valleys.

Environmental groups were surprised and relieved at the sudden about-face on Wednesday by an agency that had seemed determined to finish its clean-air agenda, particularly the emissions measurement change that fell under the umbrella of the so-called New Source Review program, covering older power plants that are modified or expanded.

John Walke, a senior lawyer with the Natural Resources Defense Council, said the abandonment of the emissions measurement rule was the culmination of a four-year fight against the administration's efforts to relax pollution standards for industry or to ignore its scientific advisers when setting new standards.

Describing the low-key e-mail message that the agency sent to a limited number of reporters Wednesday afternoon, he said: "This was the most understated possible way to release this astonishing news. The utility industry has been clamoring for this rule for the entire second Bush administration."

Dan Reidinger, a spokesman for the Edison Electric Institute, a utility industry trade group, said in an e-mailed statement, "There will continue to be considerable uncertainty with respect to the New Source Review program in the absence of clear federal guidance, which is unfortunate."

Many of the administration's regulatory changes have been struck down by federal judges, most notably the Clean Air Interstate Rule, the centerpiece of its regulatory strategy, which was rejected earlier this year.

The objections raised by the agency's career lawyers and the intense scrutiny by Congressional Democrats, one of whom had scheduled a hearing Thursday on so-called "midnight rules," may also have played a role in the abandonment of these proposals.

## **White House backs down on easing air-pollution rules**

By RENEE SCHOOF, McClatchy Newspapers  
Modesto Bee, Thursday, December 11, 2008

WASHINGTON - The Bush administration on Wednesday abandoned efforts to relax pollution controls on coal-fired power plants and industries it started with Vice President Dick Cheney's energy plan in 2001, bringing to a sudden end a long White House fight with environmental groups.

However, the Environmental Protection Agency also finalized a third rule that would allow for more polluted dust from mines, animal farms and other sources.

Environmental and health groups and state and local air quality officials opposed the two rules that the administration dropped. One of them would have permitted coal-fired power plants and industries to increase their emissions without adding pollution controls. The other would've made it easier to build power plants and factories near national parks and other pristine protected areas.

Utilities had argued for the changes for years, saying that they needed to be able to increase their efficiency at the lowest possible cost.

The EPA didn't issue a news release to explain the decision, but spokesman Jonathan Shradar confirmed it. He said there wasn't enough time to complete the action on relaxing the rules before the Bush administration ended.

John Walke, a former EPA attorney who's now with the Natural Resources Defense Council and who'd argued that the two rules would have been unlawful and destructive, said in a statement that he was glad they were dropped.

"We can look forward as a civilized society to tackling the critical problems of global warming, smog and soot pollution that continues to damage our health, and toxic mercury that contaminates our waters," Walke said.

The rule that the EPA announced that it would finalize was "nasty," but not as destructive as the other two, Walke said. It was designed so that what the EPA calls "fugitive emissions" - those that don't flow through smokestacks - could be excluded from consideration in decisions about whether a facility is big enough to be regulated under the Clean Air Act, he said. "It's designed to exempt mines and factory farms, by and large, from Clean Air permitting programs."

It was the two rules, however, that were dropped that were among some of the most significant changes the administration had been seeking of environmental regulations. Some EPA officials had argued privately within the agency against them. Environmental, public health and state and local air quality officials had sent comments to the EPA urging it to drop them. Even so, lawmakers and nonprofit groups who opposed them didn't expect they'd be suddenly abandoned.

Sen. Barbara Boxer, D-Calif., the chairman of the Senate Environment and Public Works Committee, welcomed the decision. "Our children and families can breathe easier now that the EPA has abandoned two controversial plans to undermine clean air protections through midnight regulations," she said in a statement.

One of the abandoned rules would have changed the way pollution is measured from annually to hourly. The Clean Air Act requires older plants that have their lives extended with new equipment to install pollution-control technology if their emissions increase.

Environmentalists said the rule change would have allowed plants to run for more hours without triggering the requirement for additional pollution controls.

Jeffrey Holmstead, who headed the EPA's air program from 2001 to 2005, said it wasn't true that overall pollution would have increased if the rules had gone into effect because an existing regulation sets a declining cap.

"I think it's disappointing that they didn't go forward with these rules, and unfortunately it really means that there is going to be continued uncertainty. What it really means as a practical matter is that power plants, rather than just having engineers who are trying to figure out how to make them as efficient as possible, they're going to continue to have teams of lawyers look at every project to make sure they don't run afoul of the EPA's regulations," he said.

The power industry would shut down some smaller plants because they're not used enough to justify an investment in new equipment, Holmstead said.

Frank O'Donnell, head of the watchdog group Clean Air Watch, which opposed the rule changes the administration and utilities were seeking, said the news was mixed.

"The Bush administration saw the handwriting on the wall - realizing the Obama administration would throw those two high-profile rules into the regulatory trash can. But they still put out a rule that will mean more dirty air."

Mark Wenzler of the National Parks Conservation Association said citizens, members of Congress, the National Park Service and EPA scientists all were "expressing outrage" about the rule change that would have eased the way for power plants near national parks and wilderness areas. Wenzler's group had fought the rule for two years.

A bipartisan group of senators planned to introduce a resolution of disapproval on Thursday, he said. "We believe this was the last straw that caused (the White House's Office of Management and Budget) to pull the rule just days before it was to be finalized."

## **EPA Abruptly Backs Away From Proposals to Alter Air-Pollution Rules**

By David A. Fahrenthold

Washington Post, Thursday, December 11, 2008

The Environmental Protection Agency yesterday abandoned its push to revise two air-pollution rules in ways that environmentalists had long opposed, abruptly dropping measures that the Bush administration had spent years preparing.

One proposal would have made it easier to build a coal-fired power plant, refinery or factory near a national park. The other would have altered the rules that govern when power plants must install antipollution devices. Environmentalists said it would result in fewer such cleanups.

EPA officials had been trying to finalize both proposals before President-elect Barack Obama is sworn in Jan. 20. But yesterday, an agency spokesman said they were giving up, surprising critics and supporters of the measures.

"These two items are not things we're going to get done in the next 48 days" before Obama's inauguration, EPA spokesman Jonathan Shradar said. He said the EPA still supports the proposals, which have both been in the works for at least three years.

Shradar said the agency was abiding by an administration order against "midnight regulations."

In addition, Shradar said in an e-mail, the rule about when power plants install cleanup devices had been complicated by a recent court ruling. In July, a federal appeals court struck down the EPA's Clean Air Interstate Rule, a pollution-control measure with which the new proposal was designed to work.

But William Becker, executive director of the National Association of Clean Air Agencies, said there may have been another motive. He said the EPA may have decided it would be futile to fight for the new regulations since Obama could have reversed them.

The press office for Obama's transition team did not reply to a request for comment yesterday evening.

"I think the administration's getting beat down badly on environmental regulations" already, Becker said. "There was nothing to be gained by, you know, going out with [these new rules]."

The proposal on parks would have changed the rules for new plants being built nearby. Currently, computer models project how bad pollution would be over three-hour and 24-hour periods, to guard against short-term spikes in pollution from nearby smokestacks.

The EPA wanted to alter this rule, to focus instead on the average of air pollution over an entire year.

Clean-air advocates had protested that this might allow parks such as Virginia's Shenandoah -- where the famous mountaintop views are already obscured by smog and haze -- to become even dirtier on certain days.

Half of the EPA's regional administrators had formally dissented against the rule. But, as late as last month, the agency said that it was on the verge of becoming law.

"We are extraordinarily pleased," said Catharine Gilliam, of the National Parks Conservation Association, a nonprofit advocacy group. Until now she said, EPA officials "had really stuck to their guns."

The other rule dealt with the agency's New Source Review process, which dictates when existing power plants must implement additional pollution-control measures. In some cases, this requirement is triggered when a plant produces more pollution than it had previously.

The question is: How should this pollution be measured? Now, what matters is an annual pollution total. The EPA had sought to substitute a different test, using the amount of pollution produced in a single hour.

Jeffrey Holmstead, a former head of the EPA's air pollution office under Bush, said the rule made sense: Random patterns of mechanical failures could dictate whether a plant produces more pollution in one year or another, he said. He said an hourly standard was a better measure of a plant's real output.

"I think it's a real shame" that the rule has been dropped, he said.

At the Edison Electric Institute, a trade association for power companies, spokesman Ed Legge said that the abandonment of this proposal -- combined with the July court ruling -- left plant owners wondering what standard to follow.

"There will continue to be considerable uncertainty . . . in the absence of clear federal guidance, which is unfortunate," Legge said.

John Walke of the Natural Resources Defense Council, an environmental advocacy group, said the rule would have allowed plants to operate for longer hours and produce more overall pollution.

"I am stunned. I've been fighting these dirty rules for years," Walke said. "And within the span of an hour," he said, both were suddenly moot.

### **Lisa Jackson in line to be first black EPA chief**

By Dina Cappiello, Associated Press Writer  
Contra Costa Times, Thursday, December 11, 2008

WASHINGTON—Lisa Jackson is in line to become the first African-American to lead the Environmental Protection Agency.

President-elect Barack Obama intends to announce Jackson as EPA administrator in the coming weeks, barring unforeseen circumstances that derail his plans, according to Democratic officials close to the transition.

Jackson, a Princeton University-educated chemical engineer, would take the helm at the agency at a time of record-low morale and when it is still grappling with how to respond to a 2007 Supreme Court decision that said it could regulate the greenhouse gases blamed for global warming.

During the Bush administration, the White House has at times overruled the advice of the EPA's scientific advisers and the agency's staff on issues ranging from air pollution to global warming.

Supporters say Jackson, 46, has the experience to steer the agency down a new path.

She spent 16 years at the EPA in Washington and in New York before being hired at the New Jersey Department of Environmental Protection in 2002, an agency that has been riddled by budget cuts and personnel shortages. Jackson was named the head of the department in 2006 by Gov. Jon Corzine, overseeing environmental regulation in a state plagued by pollution problems and home to the most hazardous waste sites in the country. She left earlier this month to take a job as Corzine's chief of staff.

In her short tenure, Jackson has worked to pass mandatory reductions in greenhouse gases, to reform the state's cleanup of contaminated sites and to establish a scientific advisory board to review agency decisions.

"In New Jersey, you're working on contaminated sites, you're working on open space, endangered species, clean water. New Jersey is the laboratory for environmental protection. Whatever bad happens in the environment, it happens in New Jersey first. It is a good proving ground," said Jeff Tittel, executive director of the New Jersey Chapter of the Sierra Club.

Another New Jersey woman, former Gov. Christine Todd Whitman, headed the EPA for 2 1/2 years during President George W. Bush's first term.

Whitman, a moderate Republican, found herself occasionally at odds with the Bush White House over environmental issues and became a lightning rod for the administration's critics.

Jackson also has her detractors.

A small but vocal contingent of environmental advocacy groups came out against Jackson last week, asking President-elect Barack Obama to drop her as a candidate.

In a letter to the transition team, the Public Employees for Environmental Responsibility, a group that represents environmentally-minded state and federal employees, said it was "distressed" that Jackson was under consideration.

The group said that while Jackson had "a compelling biography"—she grew up in New Orleans' gritty Lower Ninth Ward—her record at the Department of Environmental Protection did not warrant a promotion. As evidence, they cited an EPA inspector general report that found that New Jersey failed to use its authority to expedite cleanups at seven hazardous waste sites. The state also has been criticized by federal wildlife officials for failing to adopt standards for pesticides and other toxic chemicals that protect wildlife and for delays in meeting its greenhouse gas emissions targets.

DEP officials, in response to those allegations, said Jackson inherited many of the problems, and that in the case of global warming the state was getting back on track.

Other environmental groups who support her nomination but criticize some of her actions say that in those cases she was overruled by the governor.

"She is the best possible choice that President Obama could make," said Dena Mottola Jaborska, executive director of Environment New Jersey. "She has had a lot of situations where protections needed for the environment were politically difficult, and sometimes she didn't prevail and sometimes she did prevail."

Calls to Jackson were not returned Wednesday. Corzine's office declined comment.

## **New engines at medical center, lean, green, quiet**

By Nanci L. Valcke

Contra Costa Times, Thursday, Dec. 11, 2008

John Muir Health wants to build and run four new cogeneration engines at its Concord Campus for energy efficiency, and has had to let its neighbors know of the proposal.

A public notice went out to all the parents or guardians of children enrolled at Queen of All Saints and Mt. Diablo High schools telling them that because they were within 1,000 feet of a potentially toxic air contaminant permit application, the Bay Area Air Quality Management District was required by law to give neighbors 30 days to comment before giving the project the thumbs up.

Any emissions would be well under the established guidelines, reported Victor Douglas, of the BAAQMD's Planning, Rules and Research Division.

But no sooner had the public notice arrived in at least one resident's mailbox, a red flag went up. But the concern was not about amending Regulation 9, Rule 8, which deals with toxins released; this resident wanted to know how noisy the new engines would be.

"It's one of our quieter activities," said Michael Monaldo, John Muir Health vice president of facilities development.



In addition to making sure it is in compliance with regulations and not disturbing its neighbors, the hospital also wants quiet for the well-being of its patients. Monaldo said the engines are enclosed on site with soundproof insulation, and that the facility is in compliance with the allowable noise for hospitals.

The project will have no impact or expose people to noise levels in excess of standards established in the local general plan noise ordinance, nor will there be excessive ground vibration, according to the initial study/negative declaration prepared by Environmental Audit, Inc. for the air district. The negative declaration is a requirement of the California Environmental Quality Act.

Although the new engines will be quiet, they will emit nitrogen oxide and carbon monoxide — known pollutants commonly found in vehicle exhaust.

The district is proposing an amendment to Regulation 9 Rule 8 (Rule 9-8) so it can expand its air quality control of smaller stationary internal combustion engines such as the one proposed by John Muir. The amendment will also enable the district to fulfill its commitment proposed in Senate Bill 656 Particulate Matter Implementation Schedule.

"The proposed rule amendments are part of a long-term plan to bring the Bay Area into compliance with the state ambient air quality standards for ozone and reduce emissions of particulate matter," reported BAAQMD's Douglas, in the negative declaration.

The proposed plan passes the test under the new rules, he stated.

"We are actually going to be 40 percent more efficient; lean and green," said Monaldo.

The project calls for capturing the heat from an engine supplying power for one or more tasks and using it for others. In this case, the other activity is supplying electricity and thermal energy to provide the hospital with hot water and space heat around the clock.

The heat being produced as a bi-product of the natural gas-fired internal combustion engines is now going to waste. Monaldo said the new cogeneration engines will provide \$400,000 a year in energy savings.

"We want to reduce expenses to optimize patient care," he said.

Monaldo said another bi-product of the new engines will be the hospital's reducing its demand on Pacific Gas & Electric, and that translates into the energy company not having to build larger facilities.

"If we can be more energy efficient, it's good for the environment," Monaldo said.

Assuring the hospital's facilities are as environmentally friendly as possible is a priority for such projects, and "more and more enlightened hospitals are installing these (cogeneration engines.) This is not the first in California," he said.

## **Mexico pledges greenhouse gas cuts**

By VANESSA GERA - Associated Press Writer

Tri-Valley Herald and Modesto Bee, Thursday, December 11, 2008

POZNAN, Poland—Mexico announced a plan Thursday to halve greenhouse gas emissions from 2002 levels by 2050, making it one of the few developing countries to set a specific reductions target.

Mexico's Environment Secretary Juan Rafael Elvira said the target would be met with clean and efficient technologies, such as wind and solar power. He said he hoped the move would challenge other countries to take strong action and help Mexico with investments needed to meet the goal.

Mexico's aim to cut 2002 levels by 50 percent by mid century, he said, is to spur "collective" global action on fighting climate change.

He and his deputy, Fernando Tudela, announced the goals at U.N. climate talks in Poznan, Poland, where some 190 countries are working on a new climate treaty to replace the Kyoto Protocol, which expires in 2012. The aim is to get a deal next December at U.N. talks in Copenhagen, Denmark.

Edward Helme, president of the Center for Clean Air Policy, an environmental group that has worked with the Mexican government in drawing up the plan, praised the step as ambitious.

"The Mexican government should be applauded for exerting leadership and announcing such a strong, national goal," Helme said.

The officials also announced a plan to set up a "cap and trade" system that would set emissions limits on certain sectors—such as cement and oil refining.

Companies that reduce their emissions below those limits could sell their unused allowances on the international carbon market. The Mexican officials said they hope to have the program operating by 2012.

"This is a very aggressive goal for our country, but we are confident we can achieve it with international assistance," Tudela said. He voiced hope for "similar action by other developing countries."

Environmentalists at the talks have strongly criticized some of the world's richest countries, saying they have done too little to battle global warming.

But many developing countries, including Brazil, China, South Africa, and now Mexico, have been winning praise for offering specific plans to fight climate change.

## **China "Cancer Village" Pays Ultimate Price For Growth**

By REUTERS

In the N.Y. Times, Thursday, December 11, 2008

XIDITOU COUNTY, China (Reuters) - Once an isolated haven, the Chinese village of Liukuaizhuang is now a tainted hell, surrounded by scores of low-tech factories that are poisoning its water and air, and the health of many villagers.

One in fifty people there and in a neighboring hamlet have been diagnosed with cancer over the last decade, local residents say, well over ten times the national rate given in a health ministry survey earlier this year.

Many fear they are paying for the country's breathtaking economic expansion with their lives, as surrounding plants making rubber, chemicals and paints pour out health-damaging waste.

"They asked in the hospital whether my family had a history of cancer. I said: 'No, in the last three generations no one had it'," one villager told Reuters, pulling out his x-rays and doctor's diagnosis that he had lung cancer. "It must have a lot to do with the pollution here."

Three decades of reforms and opening up since 1978 have transformed China from a rigidly ideological backwater into the world's fourth largest economy, lifting millions out of poverty, but not without a price.

Nationwide there are dozens of places like Liukuaizhuang, where factories have blackened streams, poisoned farmland and choked the air.

Just 120 kilometers south of Beijing, Liukuaizhuang was a quiet village before the dramatic economic boom was kicked off by a series of low-key Communist reforms on Dec 18, 1978.

Twenty years later almost 100 chemical plants were scattered across what used to be farmland and thirty years on someone in almost every family is dead or dying of cancer -- the youngest just seven years old -- according to a local activist.

Officials agree that the area, dubbed a "cancer village" in domestic media, had a huge pollution problem, although they insist cancer rates are below the national average and all the worst-offending factories are now shuttered.

"The factories were not far from homes and to a certain degree influenced the normal life of the villagers," said the Communist Party spokesman for the county, Huo Junwei.

"(But) we think figures provided by individuals exaggerate pollution problems in our area," he said. "For several years we have been looking into whether there is a link between cancer and chemical production and have not yet got a scientific answer."

## **QUESTIONS AND SILENCE**

In recent years, national leaders worried about the mixed legacy of chasing economic expansion at almost any cost have stepped up calls for a more equitable society and cleaner industry nationwide.

But the pollution around Liukuaizhuang was so rampant that a crackdown driven partly by health concerns began in 2003, long before greener growth became a ubiquitous government mantra.

And activists say waste water and toxic gasses are certainly causing some illness there, even if an apparent link with cancer has not been proved.

"Pollutants including heavy metals like mercury and lead have already got into the food chain and all these chemicals will affect the normal function of cells," said Gao Zhong, an environmental economist with a non-governmental organization that works to clean the country's polluted water.

Wong Tze-wai, an environmental health expert at the Chinese University in Hong Kong, said it would be premature to assume a link, but authorities should look into whether the number of cancer cases in the village was abnormally high, and if so, why.

"It's important to investigate. We know that many industrial chemicals are carcinogenic and it is not unlikely that they can get into the eco-system," he told Reuters.

The village's richer inhabitants have backed that view by moving away, locals say, leaving behind the old, poor and ill. Some cannot afford even the most basic health precautions.

"We don't have enough money to clean the water we drink. We put it all in a basin and let the pollutants sink," said the daughter-in-law of one lung cancer sufferer.

All are reluctant to discuss the illness as they say health benefits were cut to victims who spoke out in the past, as well as one activist, Wang Dehua, who was jailed for several years.

"A lot of journalists came and went, but it did not change the situation at all," said one middle-aged liver cancer patient whose husband was also diagnosed with cancer recently. Like all the other interviewees she refused to be named.

## **CLEAN REVOLUTION?**

Some hope may ironically come from the global economic crisis, which is threatening so many Chinese jobs, as the world slowdown has dented demand for the products churned out from the country's factories and so cut their waste.

The villagers say some of Liukuaizhuang's bare bones factories, where paint is mixed in open drums in fume-filled warehouses guarded by vicious dogs, have already gone bust.

The crisis has also spurred Beijing to line up a multi-billion dollar stimulus package. Activist Gao hopes some of the cash will be spent on cleaner technology.

"Now we are facing financial turmoil. There is a good way to stimulate domestic demand and also keep society stable, which is to improve the environment to invest more into this so ... the country will be able to develop with quality," he said.

However there is also a risk that Beijing's leaders, facing rising unemployment and the social problems caused by a slowing economy, will relinquish environmental goals and ease pressure on the heavy industries that have created so much of both the country's growth and its pollution.

Many in the "cancer village" fear the clean up is too late for them but they cling to hope that it will save their children and grandchildren from terminal illnesses.

"Of course I am worried, but what is the use of being worried?" said a lung cancer patient.

"We have to save our concern for the next generation."

## **Money and Lobbyists Hurt European Efforts to Curb Gases**

By James Kanter and Jad Mouawad  
N.Y. Times, Wed., Dec. 10, 2008

BRUSSELS — The European Union started with a high-minded ecological goal: encouraging companies to cut their greenhouse gases by making them pay for each ton of carbon dioxide they emitted into the atmosphere.

But that plan unleashed a lobbying free-for-all that led politicians to dole out favors to various industries, undermining the environmental goals. Four years later, it is becoming clear that system has so far produced little noticeable benefit to the climate — but generated a multibillion-dollar windfall for some of the Continent's biggest polluters.

As President-elect Barack Obama considers how to curb the gases that contribute to global warming, Europe's struggle with the problem illustrates the momentous task ahead for the United States.

European politicians, who acknowledge that their system got off to a rocky start, contend that after an initial experimental phase that lasted from 2005 to 2007, the system has improved. But some outside analysts doubt Europe can achieve its lofty goals.

The original European plan called for issuing a restricted number of permits to emit carbon dioxide, the main gas that contributes to global warming, then creating a market in which they could be freely traded. If a company produced more gas than its permits allowed, it would be penalized by having to buy more; if it managed to reduce emissions by switching to cleaner fuels

or technologies, it would be able to sell its permits to polluting companies. The marketplace would set the price.

In the United States, a similar market approach is credited with reducing acid rain, another environmental problem. The system encourages efficiency and innovation by rewarding companies that can cut the most pollution at the lowest cost.

But global warming is a far larger, more complicated problem than acid rain, and setting up a workable market in Europe has proved to be difficult and contentious. As the incoming Obama administration contemplates creation of an American market, Washington has already seen the beginnings of the same lobbying frenzy that bedeviled Europe.

Beseched by giant utilities and smokestack industries that feared for their competitiveness, the European Union scrapped the idea of forcing industries to buy their permits, with the money going to public coffers.

Instead, governments gave out the vast majority of the permits for nothing, in such quantity that the market nearly collapsed. The basic question of whether to sell permits, give them away or do some of both has yet to be resolved in the United States.

“Everybody will fight their own corner,” said Nicholas Stern, a British economist, who recommended that the United States charge for a substantial number of permits rather than dole them all out as the Europeans have. “That’s why it’s so important to have a clear conception from the start, to start off with a clear strategy.”

After the initial crash, Europe tightened its system and issued new permits, and they have acquired substantial value. Nearly \$80 billion will change hands in 2008 on the European emissions market, making it by far the world’s largest, according to estimates by Andreas Arvanitakis, an analyst at Point Carbon, a research firm.

Much of the cost of the European system is being paid by the public in the price of goods and services, including higher electricity bills, but whether the money is doing any good is an open question. The amount of carbon dioxide emitted by plants and factories participating in the system has not fallen. Their emissions rose 0.4 percent in 2006 and another 0.7 percent in 2007.

Meanwhile, a series of disputes has erupted about the way companies are carrying out the system.

### **A German Example**

The case of Germany, Europe’s largest economy, illustrates the many problems in Europe’s approach. For instance, RWE, a major German power company and Europe’s largest carbon emitter, received a windfall of about \$6.4 billion in the first three years of the system, according to analyst estimates. Regulators in that country have accused utilities of charging customers for far more permits than was allowable.

This week, leaders of the European Union are meeting in Brussels to shape the next phase of their system, and find ways to cut greenhouse gas emissions by 20 percent by 2020. They also seek to close loopholes worth billions to various industries, while confronting the same tug of war between long-term environmental goals and short-term costs that proved so vexing the first time around.

The European summit meeting coincides with a round of negotiations among 190 nations to establish a new global treaty limiting greenhouse emissions, a treaty the Obama administration might seek to join.

### **Pressure From Lobbyists**

During long negotiations on the landmark Kyoto climate treaty more than a decade ago, the Clinton administration pushed to include emissions trading as a means of achieving the goals, favoring that approach over energy taxes or traditional regulatory limits on emissions.

Even after the Americans backed out of ratifying Kyoto, Europe decided to set up the world's first large, mandatory carbon-trading market. "I was eager to put it in place as soon as possible," said Margot Wallstrom, the European Union's environment commissioner then.

From the start, Ms. Wallstrom, now a vice president of the European Commission, said she was lobbied heavily by governments and by companies seeking to limit the financial burden.

The initial idea of charging for many of the permits never got off the ground. Many politicians feared that burdening European industries with extra costs would undercut their ability to compete in a global marketplace.

In the end, the decision was made to hand out virtually all the permits free.

With European Union oversight, individual countries were charged with setting emissions levels and distributing the permits within their borders, often to companies with strong political connections.

Jürgen Trittin, a former Green Party leader who was the German minister of environment from 1998 to 2005, recalled being lobbied by executives from power companies, and by politicians from the former East Germany seeking special treatment for lignite, a highly polluting soft brown coal common around central Europe.

The framework of the European system put governments in the position of behaving like "a grandfather with a large family deciding what to give his favorite grandchildren for Christmas," Mr. Trittin said in an interview.

The debates on what limits to set for carbon dioxide emissions were particularly arduous. Mr. Trittin recalled a five-hour "showdown" in March 2004 with Wolfgang Clement, then the economy minister, in which he lost a battle to lower the overall limit. It was eventually set at 499 million tons a year, a reduction of only 2 million tons.

In a recent e-mail message, Mr. Clement did not challenge the details of his former colleague's account, but he characterized as "just nonsense" Mr. Trittin's claims of undue industry influence. He said the Greens were unrealistic about what could be achieved.

"I reproached them — and I'm doing this still today — that at the end of their policy there is the de-industrialization of Germany," Mr. Clement said. "That's our conflict."

Eberhard Meller, the president of the Federation of German Electricity Companies, which represents companies like RWE, said, "Good sense triumphed in the end." For his part, Mr. Clement eventually joined the supervisory board of RWE Power, in 2006.

The benefits won by German industry were substantial. Under the plan that the European Union originally approved for Germany, electricity companies were supposed to receive 3 percent fewer permits than they needed to cover their total emissions between 2005 and 2007, which would have forced them to cut emissions.

Instead, the companies got 3 percent more than needed, according to the German Emissions Trading Authority, the regulatory agency, a windfall worth about \$374 billion at the peak of the market. German lawmakers also approved exemptions and bonuses that could be combined in dozens of ways and allowed companies to gain additional permits.

"It was lobbying by industry, including the electricity companies, that was to blame for all these exceptional rules," said Hans Jürgen Nantke, the director of the German trading authority, part of the Federal Environment Agency.

### **Higher Bills Draw Inquiry**

After the system kicked off, in 2005, power consumers in Germany started to see their electrical bills increase by 5 percent a year. RWE, the power company, received 30 percent of all the permits given out, more than any other company in Germany.

The company said its price increases from 2005 to 2007 predominantly reflected higher costs of coal and natural gas. But the company acknowledged charging its customers for the emission permits, saying that while it may have received them free from the government, they still had value in the marketplace.

The German antitrust authority later investigated. In a confidential document sent to RWE lawyers in December 2006, that agency accused RWE of "abusive pricing," piling on costs for industrial clients that were "completely out of proportion" to the company's economic burden, according to the document, which was obtained by The New York Times.

Without admitting wrongdoing, RWE last year agreed to a settlement that should provide lower electricity rates to industrial customers in Germany from 2009 through 2012.

Meanwhile emissions have risen at RWE's German operations since the trading system began. The company emitted nearly 158 million tons of carbon dioxide in 2007, compared with 120 million tons in 2005, according to its annual reports.

The company said its emissions rose in part because one of its nuclear power stations, which emit no carbon dioxide, was off line for a while.

Jürgen Frech, the chief spokesman for RWE, said that charging customers for the carbon permits was "beyond reproach," and added that the company will spend more than \$1 billion this year to comply with the emissions trading system. RWE also said it is investing \$41 billion over the next five years in projects including renewable energy and developing cleaner ways to generate electricity from coal mined in Germany.

For all the problems with the European system, some experts say it is simply too early to judge whether it will succeed. As the region that went first with mandatory carbon trading, Europe was bound to make some initial mistakes, they said.

### **Call It Experimental**

"People who don't want to do anything about carbon emissions in the United States are quick to say the European system was a failure," said Eileen Claussen, president of the Pew Center on Global Climate Change in Washington. "But they don't understand this was an experiment to learn how to get things right."

Supporters of carbon trading in Europe contend that significant reductions should be achieved starting this year because limits on emissions have been tightened. But negotiations on how to meet even more ambitious targets after 2012 are in danger of coming undone as the economy worsens.

Poland — which depends on coal-fired plants for 95 percent of its electricity — has threatened to block the next phase of Europe's emissions plan unless a way is found to lessen the burden on its energy sector. Its fears echo the position of some American states that depend on coal for

their electricity; they worry about huge cost increases should Congress pass a global warming bill.

France's president, Nicolas Sarkozy, is leading the political horse-trading on Europe's new system after 2012.

"Europe," he said on Saturday in Poland, "must be an example for others."

[Contra Costa Times Column, Thursday, Dec. 11, 2008:](#)

### **Innovation key to economic future**

By Tapan Munroe, Financial columnist

The good news is that the uncertainty about a recession has been dispelled. We are officially in a recession which started in December 2007. The bad news is that it is likely to be the severest recession since the Great Depression of the 1930s by the time it is over. Hopefully, that will be sometime in the second half of 2009.

Unlike the depression era, the federal government has not been complacent about the meltdown of the economy and the financial sector. It has been very proactive. Hundreds of billions of dollars of taxpayers' money has been allocated to bail out the icons of our banking and insurance industry that are too big to fail. However, the strategy has yet to payoff. The credit markets are yet to unfreeze. At this time, it is difficult to figure out what the money is being used for by the banks.

In addition, Congress is in the process of approving a \$15 billion loan package for the struggling U.S. auto giants — GM, and Chrysler in order to stave off their imminent bankruptcy. Ford has declined any bridge-loan funds at this time. The prime rationale for the federal assistance is that they are too big to fail. Bankruptcy will result in severe job losses in the economy at a time when we are in a deep recession and that is unacceptable to policy makers.

Well-known economist Joseph Schumpeter some time ago said that recessions are like "a good cold shower for the economic system." My hope is that even large old companies such as Ford, GM, and Chrysler can wake up to the cold shower of realities of the 21st century and become efficient and smart and build advanced fuel-efficient cars that can compete with automobile leaders such as Toyota, Honda, and BMW.

In times of economic downturns, businesses lay off workers and cut costs wherever possible even in innovation projects that could pay handsome dividends in terms new products down the road. In other words, innovation is often seen as a frill and can be dispensed with in tough economic times. That can ultimately spell disaster for a business in a highly competitive global economy.

This phenomenon is also true nationally. Bailouts, however, are temporary solutions only. They will not sustain productivity and prosperity into the future.

In order to revitalize our economy we need to fall back on America's strength — the idea and innovation economy. America has been a leader in innovation for quite some time.

The list of American successes is long and impressive and ranges from the light bulb to the transistor, the personal computer, the Internet, the genome. Four out of the eight winners of the Economist magazine's recent annual innovation award (October 2008) are Americans. They include Jimmy Wales for the Wikipedia, the free online encyclopedia; Steve Chen and Chad Hurley, for You Tube, an easy way to share video via the Internet; Arthur Rosenfeld for the promotion of energy efficiency; and Bill and Melinda Gates for developing a businesslike approach to philanthropy. Their foundation provides an enabling platform for other nonprofits for improving lives around the world. (Economist, Dec. 6, 2008).



I would like to suggest that clean tech be one of our top national economic priorities. Silicon Valley as well as other U.S. prime innovation regions are active in developing and investing in various forms of clean tech ranging from solar thermal, solar photovoltaic, biomass, tidal power, and energy efficiency.

Clean energy is one the fastest growing sectors of our economy and it has the capacity of growing hundreds of thousands of jobs in the next several years. In addition, it would contribute to critical economic and national security needs for energy independence as well as reducing air pollution and mitigating the threat of climate change.

As job creation is one of the urgent priorities, one of the obvious areas for government to invest in immediately would be to retrofit all of our existing public buildings. The payoff, in addition to creating thousands of jobs, is electricity conservation and reduction of pollution. Existing buildings use about 70 percent of our electricity and contribute to nearly 40 percent of our air pollution. The proposed Obama public works plan supports this initiative.

Enormous innovation opportunities also exist in health care and education and infrastructure development with emphasis on transportation. Let's emulate the Silicon Valley ecology of innovation around the country so we can become world leaders in creating new technologies that enhance our commerce as well as our quality of life.

We need to move beyond gas-guzzling SUVs, McMansions, and financial gymnastics to sustain our economy in the future.

*Tapan Munroe, economist, is an affiliate of the worldwide consulting firm, LECG, LLC, with headquarters in Emeryville.*

[S.F. Chronicle editorial, Thursday, Dec. 11, 2008:](#)

### **California air board must crack down on diesel pollution**

Rumbling down California roads is a workhorse fleet of a million diesel trucks and buses. It's a mainstay industry that hauls produce from Central Valley farms, machinery to coastal ports and commuters to work.

But these vehicles are also the largest unchecked source of lung-damaging soot and a key chemical that forms smog. The state clean-air board is duty-bound to enact rules to minimize the harm to the public's health and California's skies.

It won't be pain free or simple when the board votes on Friday. The cost of the control equipment is estimated at \$5.5 billion. But consider the do-nothing option: 9,400 deaths from soot and smog over the next decade and health care costs estimated at \$48 billion. Also, the state stands to lose billions more in federal highway money if its notoriously dirty air in Southern California and the San Joaquin Valley isn't cleaned up.

The trucking industry doesn't quarrel with the health impacts. It contends the extra pollution controls (up to \$12,000 per truck) impose an unfair burden in a weak economy.

The air board's answer is reasonable and straightforward. After working out tailpipe controls on cars, construction equipment and port trucks, it's time for heavy-duty highway diesels to do their part. The rules will be phased in beginning in 2010 and \$1 billion in subsidies will be available.

The diesel decision should also send a powerful - and reassuring - message that California isn't backing off its pledge to clean its air. "It's a test of our commitment," air board director Mary Nichols said in a meeting with The Chronicle editorial board.

The state's long fight to reduce pollution has taken on an added dimension that the air board will also address this week: the continuing efforts to carry out a landmark global warming law that requires the state to reduce greenhouse gas emissions to 1990 levels by 2020, a drop of 30 percent.

The blueprint maps out the general strategies in a huge state with a broad economy. Power plant controls, solar panels, new green-tech savings, lower car and truck emissions, and future changes in building designs and household appliances - all these will be part of reaching the greenhouse gas reductions in 12 years.

Added to this list is a new ingredient that is drawing fire from developers and local government: the notion of limiting sprawl and the extra driving it requires. By insisting on emission reductions from land use policies, the air board can play an important role in guiding growth and limiting the major greenhouse gas, carbon dioxide, that comes from car trips in spread-out subdivisions.

The global warming package features another debate. What will the future bill be? A staff-commissioned study suggests overall job growth and a savings of \$400 per household per year by 2020. But a second report by the nonpartisan Legislative Analyst's Office said these rosy projections aren't supportable.

The dueling studies are a warning sign that stopping global warming will be controversial. But California is right to take on the challenge and begin the hard work.

[Visalia Times-Delta and Tulare Advance-Register, Editorial, Thursday, Dec. 11, 2008:](#)  
**State should go after greenhouse gases now**

The California Air Resources Board will vote today to implement the Global Warming Solutions Act (AB 32), which mandates the state to cut its greenhouse gas emissions approximately 30 percent by 2020.

This measure is being opposed by a coalition of interests representing diesel truck operators, farmers, and other interested parties in the transportation industry, because it would demand that diesel vehicles in California begin retrofitting or converting their engines to burn cleaner beginning in 2010.

We appreciate those industries' wanting to defend their interests, because it will be a significant investment.

But we see no reason for California to back off this relatively modest measure that will make significant progress in cleaner air throughout the state, but especially in the San Joaquin Valley.

Not only has this measure been approved by the Legislature, supported by the governor and every environmental group, it is in line with a strategy that needs to take place nationally to improve air quality and reduce the effects of climate change. Further delay only allows the problem to grow bigger and the cost of mitigation to become more expensive.

In fact, done correctly, conversion to cleaner burning engines and other strategies to improve air quality can provide economic stimulus, high-paying jobs and an overall improvement to California's business climate by making this an even more desirable place to live and breathe.

This measure has the support of the state's leaders and its people. We urge the CARB to follow through with implementation of AB 32 and resist the urge to water it down at the urging of specific business interests.

There are always many practical and economic reasons to avoid making progress in the environment. We know that it costs money.

We know that it will increase the cost of doing business in the short term.

We understand that it's an investment.

Critics are complaining that AB 32 ought to be tabled because the economic benefits being touted by Gov. Arnold Schwarzenegger and others are unrealistic.

Economists and other analysts, including the Legislative Analyst's Office and an independent economist from Harvard University, say the economic benefits of AB 32 have been exaggerated and that reducing greenhouse gases by 20 percent by 2020 will have devastating economic impact.

We disagree. California business will adjust, just as it has in every other instance when it has been directed to achieve stringent environmental goals.

And if the effects of implementing AB 32's standards are too egregious for California business to absorb, the governor has the power to lower standards or provide safety valves to avoid extreme hardship.

There are also opportunities for incentives that help mitigate conversion costs. Several years ago, San Joaquin Valley farmers objected loudly to having to replace their diesel stationary engines with other fuels such as natural gas.

But they did it, largely with the help of programs that offered them rebates and incentives by the state and utility companies. Now they are glad to be using cleaner and cheaper fuel in those engines that has benefits for us all.

It won't always be so easy. Schwarzenegger has tried to portray the reduction of greenhouse gases as a pain-free effort. It's not. Californians must expect that they will have to make some sacrifices.

For the time being, alternative energy and clean energy is more expensive than the old fossil-fuel technology. It will not always be so.

Eventually, cleaner energy will cost less while the costs of petroleum fuels will inevitably increase to higher levels than alternative fuels.

But California can't wait until that happens and continue to foul the air. Every year that we delay, more greenhouse gases and particulate matter are emitted into the atmosphere.

Every year, the costs to industry, public health, the environment and daily life go up. AB 32 isn't even that radical a step: It simply seeks to return greenhouse gas emissions to the level of 1990. Imagine waiting another 10 years. Will we be satisfied with the emission levels of 2000? Should we settle for California's air quality in 2000?

Every time California has enacted environmental regulations in the past, two things have occurred:

1. California has answered the challenge, businesses and individuals have adapted, and the state has been a better place for it.
2. The rest of the nation has followed, in one form another, to adopt versions of the same regulations.

This is another opportunity for California to become a national leader in environmental and energy policy. As the nation's largest state, market and economy, it should be. The United States

must take some tangible steps in its own energy and environmental policy, and they will also demand some sacrifice.

We urge CARB to get the revival started. Delay means sliding backwards.

[Bakersfield Californian, Editorial, Thursday, Dec. 11, 2008:](#)

### **Diesel rules must go forward**

#### **Cleaning California's air of soot spewed by diesel-burning trucks must be a priority.**

It's agreed: Diesel soot kills. It leads to asthma, assorted respiratory ailments and heart attacks.

The California Air Resources Board says diesel exhaust is responsible for some 2,900 premature deaths a year, innumerable hospital visits and an untold number of workplace sick days. The bad air caused by diesel soot costs the state \$3.5 billion a year in lost workplace productivity and health care costs, and the cost of associated premature deaths is an additional \$16 billion per year.

The solution is to enforce stricter rules on emissions, as CARB has proposed: Require the owners of California-based trucks to either replace their diesel rigs with cleaner versions, starting in 2010, or install traps to capture the wayward soot. The proposed rules, intended to help the state meet increasingly tough federal clean air standards, would dramatically reduce respiratory problems among Californians and establish a model for other states.

CARB votes on the proposed rules today.

The main hitch in implementing the proposal as written is the state of the economy. The state's trucking industry, which acknowledges the negative health consequences of highway soot, has offered its own plan.

The industry's version would achieve the same air pollution goals by phasing in the same requirements over a much longer span of time.

The troubled economy, they say, has resulted in far fewer trucks in service, which has had the same effect as having a greater percentage of cleaner-burning trucks.

But the industry's plan would eventually place the South Coast and San Joaquin Valley air pollution control districts in violation of federal standards, perhaps as soon as 2014, and it would expose the state's residents to unacceptably higher levels of diesel soot pollution for a period of several years.

The trucking industry's financial concerns must be weighed, but Californians' health -- particularly upward trends in children's asthma -- trumps everything else. CARB has already softened its initial proposals, reducing the trucking industry's costs by \$1 billion and creating special funding pools to help smaller companies.

The air board must consider the likelihood of a protracted state recession in California, and think about additional breaks for smaller companies. But the goal is immovable, and the solution undeniable: California must take steps to clean the air of soot. Now.

[Fresno Bee editorial, Thursday, Dec. 11, 2008:](#)

### **Air board must be honest about real cost of tackling greenhouse gas**

Gov. Arnold Schwarzenegger thinks implementing California's law to reduce global warming will be easy -- at least that's the way he talks.

A 30% reduction in greenhouse gas emissions by 2020? No problem. Bring on the hydrogen-powered Hummers, the geothermal-powered Jacuzzis and the solar-powered plasma televisions.

There is no need for sacrifice or higher energy prices in Schwarzenegger's vision of a low-carbon future.

Now his overly optimistic view has become part of the "scoping plan" that the California Air Resources Board is expected to vote on today to implement the state's global warming law.

The plan -- a mixture of regulations and market mechanisms aimed at reducing emissions to 1990 levels in a mere 12 years -- underestimates the possible costs involved in transforming the state's modes of transportation, its energy sources and its industries, according to several economists who peer-reviewed the document.

"The economic analysis is terribly deficient in critical ways," wrote Robert Stavins, a professor at the John F. Kennedy School of Government at Harvard University.

"The net dollar cost of each of these regulations is likely to be much larger than what is reported," wrote Matthew E. Kahn, a professor at the University of California, Los Angeles.

We remain convinced that California must aggressively implement programs to reduce greenhouse gas emissions. The threat of climate change is arguably the worst long-term threat to the state economy. If other governments see California weakening in its crusade, it likely will undermine the growing international effort to bring emissions under control.

But the California air board must be candid about the real costs of the transition it is contemplating. Energy prices will rise, and major capital investment will be needed in public transit, energy-efficient buildings and new transmission lines. Industries that are energy-intensive will move elsewhere. Industries that are building the green grid of the future will flock here, as they already are.

The current scoping plan doesn't adequately acknowledge these realities or establish a clear funding mechanism to mitigate possible costs. Any final plan must strongly advocate for fees on polluting vehicles and a cap-and-trade system in which allowances are auctioned, with revenues plowed back to industries and communities to ease the transition.

Major reductions in emissions should be expected from more efficient planning of new communities. Neighborhoods burdened by toxic pollution need assurances that those problems won't worsen under a market trading system.

This is huge undertaking, and the air board may need to take a little more time to get it right. If the air board approves a deficient plan, the courts or Legislature could derail all progress to date. That would be truly be a climatic disaster.

[Sacramento Bee Editorial, Thursday, December 11, 2008](#)

### **Editorial: Time for candor on climate plan**

Ever since he signed California's 2006 law to reduce emissions linked to global warming, Gov. Arnold Schwarzenegger has made the transition sound startlingly easy.

A 30 percent reduction in greenhouse gas emissions by 2020? No problem. Bring on the hydrogen-powered Hummers, the geothermal-powered Jacuzzis and the solar-powered plasma televisions.

There is no need for sacrifice or higher energy prices in Schwarzenegger's vision of a low-carbon future.

"It's all about technology, because we all know that the guilt trip that we have put on people has not worked, to tell them that they should not use the Jacuzzi, or the big, large plasma TV," the governor said in a speech last month.

Sadly, this overly optimistic view of the world has crept into the "scoping plan" that the California Air Resources Board is expected to vote on today to implement the state's global warming law.

The plan, a mixture of regulations and market mechanisms aimed at reducing emissions to 1990 levels in a mere 12 years, underestimates the possible costs involved in transforming the state's modes of transportation, its energy sources and its industries, according to several economists who peer-reviewed the document.

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"The net dollar cost of each of these regulations is likely to be much larger than what is reported," wrote Matthew E. Kahn, a professor at the University of California, Los Angeles.

We remain convinced that California must aggressively implement programs to reduce greenhouse gas emissions. The law requires it (and requires the air board to have a scoping plan approved by January 2009).

In addition, the threat of climate change is arguably the worst long-term threat to the state's economy. If other governments see California weakening its climate crusade, it likely will undermine the growing international effort to bring emissions under control.

That said, the California air board must be candid about the real costs of the transition it is contemplating. Energy prices will rise, and major capital investment will be needed in public transit, energy-efficient buildings and new transmission lines. Industries that are energy-intensive will move elsewhere. Industries that are building the green grid of the future will flock here, as they are already doing.

Unfortunately, the current scoping plan doesn't adequately acknowledge these realities or establish a clear funding mechanism to mitigate the possible costs. Any final plan must strongly advocate for fees on polluting vehicles and a cap-and-trade system in which allowances are auctioned, with revenues plowed back to industries and communities to ease the transition.

Major reductions in emissions should be expected from more efficient planning of new communities. Neighborhoods burdened by toxic pollution need assurances that those problems won't worsen under a market trading system.

This is a huge undertaking for California, and while we sympathize with the tight deadlines the air board has faced, it may need to take a little more time to do the job right. One thing's for sure: If the air board approves a deficient plan, the courts or the Legislature could derail all progress to date. That would truly be a climatic disaster.

[Merced Sun-Star editorial, Thursday, Dec. 11, 2008:](#)

### **Our View: 'Scoping' plan too optimistic**

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[Contra Costa Times editorial, Thursday, December 11, 2008:](#)

### **Cut Port of Oakland pollution now**

OFFICIALS AT the Port of Oakland have decided to back off on their commitment to significantly cut diesel truck pollution, and, in turn, further risk the public health of surrounding communities, particularly West Oakland, as well as the financial future of the port itself. The reason? It's the struggling economy, of course.

The Port of Oakland says that despite a state-mandated deadline to cut diesel soot by 2010, it is standing behind a shipping industry hit by an economic downturn. The port has delayed plans to meet new California pollution requirements. The port calls it a helping hand to shipping, but it looks more like a stall tactic.

The story began back in March when the California Air Resources Board released a risk analysis that concluded 22,000 residents in West Oakland face a cancer risk three times higher than the rest of the Bay Area due to air pollution. It also said even residents in western Alameda and Contra Costa counties are affected. So to swiftly cut pollution risks, the state air board, the Bay Area air pollution district and the port planned to chip in \$5 million each to create a \$15 million pool from grants to clean up diesel truck models from 1994 to 2003. The maximum grant would be \$15,000 per truck for soot filters that can cost up to \$20,000.

But the port pulled its \$5 million share on Nov. 19. Then, on Dec. 2, port commissioners also postponed a decision to impose a container fee that would force companies to pay millions of dollars to finance pollution reduction for diesel trucks, ships and planes.

Meanwhile, there's that deadline on Jan. 1, 2010, to install diesel soot filters. If the estimated hundreds of trucks don't receive pollution upgrades, port business could suffer when that deadline arrives because there will be less clean trucks to move cargo.

But if the economy is so bad for the shipping industry then why are Southern California ports, among the busiest in the world, moving ahead with their plans to cut air pollution?

On Dec. 2, the ports and air-quality officials there launched a 12-month demonstration of trucks that burn natural gas to transport containers off-loaded from ships. On Oct. 1, those ports in conjunction with trucking companies and other stakeholders introduced the Clean Trucks Program.

We understand the Port of Oakland's concerns about the economy and how it's affecting the shipping industry, but if there is a concern that truckers are taking on too much, perhaps the Southern California model can help. Why not encourage trucking companies and affected businesses to help so independent truckers can remain independent and don't carry as much of the burden?

A bad economic climate is all the more reason to have many affected parties involved to share the burden so this venture proceeds in a timely fashion. Actually, this is a partnership that probably should have been done in the first place.

People's health is at risk and the Port of Oakland, in good economic times or bad, has to clean up its shop.

[Letters to the Modesto Bee, Thursday, Dec. 11, 2008:](#)

### **Take broader view of burning wood**

I agree with the letter "Explain exactly why we can't burn" (Dec. 2). Wood is an important source of fuel for home heating.

It is completely renewable and, in fact, all of the wood I burn -- and I suspect most of the wood burned in the Central Valley -- is waste wood from agriculture or shade trees that would be burned as waste if not reclaimed as fuel.

Certainly our burning practices should take full account of the need for clean air, but also governmental efforts to improve air quality should take into account the waste management and energy resource aspects of wood fuel use, instead of myopically following a simplistic and increasingly restrictive threshold/prohibition regulatory approach.



*Jay Hyatt, Turlock*

### **'Moderate' too soon to forbid burning**

"Explain exactly why we can't burn" (Dec. 2, Letters) echoes my sentiments and I believe there are a lot of people wondering the same thing.

My records show there were nine no-burn days in November and on all those days I never saw any of the indicators in the unhealthy range. A couple were close, but most were clearly in the moderate category, just like today (Dec. 4).

I obey the law, as I am sure most people do, but I think his questions of who, how and when they take air samples should be addressed. I haven't seen any studies to prove wood burning makes our bad air worse, but I suspect this is the easiest place to start as homeowners are a captive group.

I certainly don't want to make sick people suffer but when the air board indicators are in the moderate range, why do they still declare no burn days?

*Jack Morgan, Modesto*

[Letter to the Bakersfield Californian, Thursday, Dec. 11, 2008:](#)

### **No-burn-day solution**

I think I have this Air Quality Index dilemma figured out: After I have had a fire on a "burn day," I will clean out my fireplace and set a fire for the next time we get to burn. Then, at the stroke of midnight on the next burn day, I will wake up to the sound of my alarm and rush into the living room and light the previously set fire.

During the day I will load up as much wood as it can up until the end of that burn day cycle. If it gets warm in the house, I'll just open some windows so we don't suffocate. If I am diligent about doing this, then maybe

I will actually burn up most of the \$400 worth of wood I bought this summer.

In all sincerity, I hope my wood cutter/supplier survives this insanity just in case I ever run out of wood and want to buy more.

*Donald Rathbone, Bakersfield*

[Letter to the Fresno Bee, Thursday, Dec. 11, 2008:](#)

### **'Ready to burn'**

To burn or not to burn.

Another cold winter has settled in and it's cold in my home once again. I struggle with what my PG&E bill might be if I turn on my heater, but I could take the edge off with a log in the fireplace.

But wait! It's a no-burn day again; now almost every day we can't burn.

I just want to be warm and save money. We use blankets but we just can't get warm sometimes. Now what? The no-burn days should be suspended till spring so we can get warm without high PG&E bills.

Let us burn without punishment and ridicule. Let us live our lives in comfort! I'm ready to burn.

*Bill Niehoff, Fresno*