

## **Calif. board postpones decision on pollution tax**

By Samantha Young, Associated Press Writer

In the Washington Post, SF Chronicle, Modesto Bee and other papers, Friday, June 26, 2009

SACRAMENTO, Calif.—California regulators on Thursday delayed a decision on whether to implement the nation's first statewide carbon fee on utilities, oil refineries and other polluting industries.

The move came after several electricity providers expressed concerns that California might inadvertently level a charge on energy that is moved through but not used in the state. That would violate federal energy laws.

Mary Nichols, who chairs the California Air Resources Board, says regulators still favor a carbon fee to raise the money to implement California's landmark 2006 global warming law. But they want to ensure they do so legally.

"We want this thing to be air tight," Nichols said. "We don't want to proceed with anything until we're absolutely confident what we're doing will meet every legal and constitutional test."

She said a vote will be held on the carbon fee at the board's July meeting.

The delay gave California businesses that have opposed the fee a short reprieve. Oil companies, manufacturers and utilities complained Thursday that the proposal has unfairly singled them out to pay for the fee.

Industry has also argued the fee would impose another burden on California businesses while the state is mired in recession and experiencing its highest jobless rate—11.5 percent—in modern times.

"Every additional cost burden adds to the already very high cost of doing business in the state," said Dorothy Rothrock, vice president of government relations at the California Manufacturers & Technology Association.

If it is adopted next month, the fee would be imposed beginning in 2010 and would raise \$51.2 million annually during its first three years, leveling off at \$36.2 million during the fifth year. The average cement plant would pay about \$200,000 a year, while the average oil refinery would pay about \$1.3 million a year.

The air board targeted the fee to industries it considers the starting point for roughly 85 percent of California's greenhouse gas emissions. For example, refineries and utility plants are the first handlers of the fuel and electricity that Californians consume every year.

About 250 businesses in California that make, sell or import gasoline, diesel, natural gas and coal would be charged roughly 12 cents per ton of carbon dioxide that they and their customers emit.

Cement plants also would be subject to the fee because the chemical process to make cement produces greenhouse gases. The charge would drop to 9 cents per ton of carbon dioxide in 2014.

Industry representatives said the air board's approach unfairly holds them accountable not just for their own emissions, but for those generated by the millions of Californians who use their products. They would like the fee spread across a broader cross-section of the economy.

"Fuels in and of themselves are not sources of greenhouse gas emissions," Michaeleen Mason, director of regulatory issues at the Western States Petroleum Association, told the board Thursday.

"Fuel producers and importers cannot be considered sources of greenhouse gas emissions," she said.

Air regulators say they need the fee to carry out the California Global Warming Solutions Act, which seeks to reduce emissions in the state to 1990 levels by 2020. It is intended to cover the salaries of 174 people hired to implement the law since Gov. Arnold Schwarzenegger signed it.

The air board staff projected businesses asked to pay the fee could pass along its costs to consumers.

The average restaurant, for example, would see an increase of roughly \$14 a year in its electricity and natural gas costs, said Jon Costantino, manager of the climate change section at the air board. The cost to each Californian would amount to between \$1 and \$1.50 a year.

A few local government entities have adopted similar fees. Last year, air regulators in the San Francisco Bay area imposed a 4.4 cent per-ton carbon fee on businesses that emit greenhouse gasses. In 2006, voters in Boulder, Colo., imposed a carbon tax on their own energy use.

## **Calif. wants autos to have reflecting windows**

By SAMANTHA YOUNG, AP

Merced Sun-Star, Thursday, June 25, 2009

SACRAMENTO California air regulators voted unanimously Thursday for a mandate requiring auto manufacturers to include sun-reflecting glass on all vehicles sold within the state by 2014.

The move by the California Air Resources Board was intended to keep cars, pickup trucks and sport utility vehicles cooler during hot weather, reducing the use of air conditioning.

That was expected to improve fuel efficiency and reduce greenhouse gas emissions.

"The end result of it is the customer gets a car that's more comfortable to ride in, air conditioners don't have to work as hard, and the atmosphere will be happier because we won't be emitting as much [carbon dioxide](#)," said board chairwoman Mary Nichols.

The auto industry complained about the expense but won an extra year to comply with the first phase of the regulation. Automakers also will be allowed to find other ways to cool down cars to avoid a tougher window standard to be phased in after 2014.

The board gave automakers more time to meet the standards after representatives for Ford Motor Co., Chrysler Group LLC, Honda Motor Co. and Toyota Motor Corp. lined up to ask the board to extend the deadline.

"We don't have a lot of spare resources right now," said Steven Douglas, senior director of environmental affairs for the Alliance of Automobile Manufacturers.

California has been a leader for decades in setting auto standards. Its mandates have often brought changes throughout the industry as automakers move to capture the state's huge market.

California was the first state to require the use of catalytic converters in 1975 as a way to reduce smog. A 2002 state law intended to force cleaner auto emissions was the reason the Obama administration implemented greater fuel-efficiency standards earlier this year.

Beginning with the 2012 model year, a quarter of passenger vehicles sold in California must have specially coated windshields that block 50 percent of the sun's heat from a parked car. All vehicles must have those windshields within two more years.

In 2016, windshields must block 60 percent of the sun's heat unless car makers can demonstrate other ways to keep cars cool.

The regulation is projected to prevent 700,000 metric tons of carbon dioxide from entering the atmosphere in 2020, the equivalent of taking 140,000 vehicles off the road for a year. There were nearly 22 million passenger vehicles registered last year in California.

The new windows would cool a sedan's interior by an estimated 14 degrees Fahrenheit or 12 degrees for a pickup or SUV.

The board dismissed concerns from trade groups representing domestic and foreign car companies that sun-reflecting glass would interfere with cell phones signals, GPS navigation, electronic passes for toll roads and tire pressure monitoring systems.

The regulation allows glass manufacturers to leave a small area of the windshield free of the metallic coating to boost wireless signals. However, representatives for navigation and cell phone companies questioned whether it would be effective.

Susan Lipper, senior manager of regulatory affairs at T-Mobile USA, said drivers and passengers might be prevented from making emergency calls from their cars.

"If you need to make a 911 call and material in the windshield blocks it, that's an issue," Lipper said.

Drivers who replace windows in older cars also would have to meet the new standards.

The window mandate is among dozens of strategies pursued by the board in its effort to reduce California's greenhouse gas emissions to 1990 levels by 2020, the goal set by the state's 2006 global warming law.

A proposal to require so-called "cool paints" was removed from the regulation after the auto industry complained it might have to stop selling black cars in California.

The technology used by glass manufacturers to make more reflective car windows has been around for nearly 20 years, said Mukesh Rustagi, director of strategic product management at Pittsburgh Glass Works, the largest automotive glass supplier in North America.

## **General plan goes to council**

By Corey Pride

Merced Sun-Star, Friday, Jun. 26, 2009

The outline for guiding Los Baños' growth and development through the next two decades will finally go to the City Council for review after nearly four years of planning.

Wednesday night the Planning Commission recommended approval of the revised version of the city's general plan.

The general plan was last updated in 1999. The new version will guide nearly every aspect of city development and its impacts through 2030. At that time, according to the plan, Los Baños will have 90,400 residents. The plan also predicts that at maximum build out the city will boast 46,400 jobs and 32,500 employed residents. Today those numbers are 4,540 and 11,100 respectively, according to the revised plan.

Commissioner Tom Mello asked city staff about some additional plans for industrial parks being included in the document. Mello had a concern that truck traffic using an industrial area near the Rail Trail would create problems as the city grows.

"You might want to consider moving that nearer to the (Highway) 152 bypass," Mello said. "I think it's a difficult situation for them to get in and out of right now. If you did bring industry into town, which we need desperately, it's not a very accessible area on either end."

Aside from industrial space near the Rail Trail, the general plan also provides for it at the extreme eastern and western edges of Highway 152 within the city's sphere of influence.

The plan calls for expanding low and medium density housing in the northern and southern portions of town. Mercey Springs Road will see more commercial development. The area near the western entrance of the Highway 152 bypass and the Merced College Los Baños Campus will also see commercial business built around them.

The eastern Sante Fe Grade portion of the bypass will be surrounded by an agriculture designation, but the Mercey Springs Road exit will be next to commercial development.

Mixed use designation -- meaning combinations of housing, commercial and civic uses -- are reserved for the city's downtown area and Rail Trail.

Shirley Napolitano, a commissioner and general plan steering committee member, said she particularly likes the provisions in the general plan dealing with air quality. She said the Central Valley has not achieved anywhere near what it needs to as far as [improving air quality](#).

Commissioner Ann McCauley said she likes the greenbelts that surround certain areas within the general plan. McCauley also is fond of the commercial development near portions of the bypass.

Commissioners acknowledged that the general plan will likely undergo additional revisions before 2030.

"You have to have a plan; a place to start, and that's what this is," Napolitano said.

Commission Chairman Norm Donovan said he believes the new general plan will work very well.

The city began work on the general plan in November of 2005.

## **Showdown on Wal-Mart distribution center near Final environment report should be in city's hands**

By SCOTT JASON

Merced Sun-Star, Friday, June 26, 2009

By the first Monday in July, Merced planning officials should have the final report that chronicles how the proposed Wal-Mart distribution center will change the city.

EDAW, the consultant writing the massive environmental review, is scheduled to turn over the final draft July 6 for city staff and attorneys to proofread.

It had offered a deadline of July 1, though it was revised Thursday.

After any changes are made, the project -- first proposed in 2005 -- will head to the Merced Planning Commission and City Council.

Wal-Mart plans to build a 1.1 million-square-foot distribution center on 230 acres between Childs and Gerard avenues. Supporters point to the added full-time jobs -- 600 when the center opens and 900 after a year of operation -- as a clear-cut reason why the project is essential for a community with an unemployment rate of 17 percent, representing about 18,000 people.

Opponents think the center's a bad idea, citing the added traffic on Highway 99 from big rigs and the [poor air quality](#). (Wal-Mart has said its fleet will be green. Opponents worry that most of the trucks will be owned by outside contractors and not be clean-burning.)

The timeline for a vote on the controversial project remains tentative, though it could be as early as September, Merced Planning Manager Kim Espinosa said Wednesday.

The project must first go before the Planning Commission, which will offer a recommendation to the City Council.

Merced must publicly notice all meetings in advance. If Wal-Mart's project was to go before the commission Aug. 19, it'd have to be announced weeks ahead of time.

The center could then be before the council Sept. 21.

The draft environmental report, mandated by state law for large projects, was released in February for a 60-day public comment period. After about 300 letters of support, opposition and lingering questions, the report went back for revision.

EDAW, the consultant writing the report, is required to address all the questions raised by people. The public will be able to give their thoughts on the project during the public hearings before the commission and council.

Due to the amount of attention paid to the proposed Wal-Mart distribution center, the city's anticipating one council meeting to hear testimony and a second one the same week to vote.

## **Wal-Mart report nearing release**

By Scott Jason

In the Modesto Bee, June 25, 2009 11:23:41 PM

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## **Local farmers happy cow gas excluded**

By Seth Nidever

Hanford Sentinel, Friday, June 26, 2009

As part of their efforts to curb global warming, the Obama administration and House Democrats are targeting many sources of greenhouse gases. One thing they aren't including: The methane gas from cow burps.

Livestock gas -- with most coming out the front end during feeding -- accounts for 2 to 3 percent of all greenhouse gas emissions in the United States, according to Frank Mitloehner, a University of California, Davis, professor.

The exclusion of cow belching is the result of pressure from farming interest groups worried about the negative impact of requiring farmers to purchase the same emissions permits for cows that factories need for smokestack pollution.

The reaction from local dairy farmers has been positive.

"I thought it was ridiculous in the first place," said George Longfellow, who runs a dairy south of Hanford. "It's just a natural emission. To me, I thought they were joking when they brought it up in the first place."

"I think common sense needs to prevail here," said Riverdale dairyman Rod Kamper. "What are you going to do with pets and people and wildlife? Are they going to feed their dog different dog food?"

"Pretty soon we're going to drive to town for dinner ... and they're going to say, 'Too many people ate pizza tonight,'" Kamper said.

But to Brent Newell, an lawyer with San-Francisco based Center on Race, Poverty and the Environment, excluding livestock from a comprehensive greenhouse gas bill makes little sense.

"It means the other regulated sources have to do a lot more to make the greenhouse gas target," Newell said.

"It's not fair. Everyone else is doing their share, and will be asked to do their share under this legislation," he added.

Agricultural interests and others, however, have argued that it's unreasonable to lump animals into the same regulatory category as cars and power plants.

"It is extremely difficult to regulate something that is of biological origin," Mitloehner said.

Research has shown that changing cattle diet and boosting efficiency -- such as producing the same amount of milk from a smaller herd -- can result in less gas, Mitloehner said.

Individual cows produce half the greenhouse gases they did 50 years ago because of better diets, greater reproductive efficiency and other improvements, he said.

But improvements are getting harder and harder to come by, according to Mitloehner.

He estimated that the remaining gain from changing feed composition is at best another 10 percent reduction in methane output.

House aides and officials at the U.S. Environmental Protection Agency say that controlling emissions from enteric fermentation -- the fancy term for the belching that occurs as animals digest their food -- is unworkable.

Newell disagrees, saying that dairy farmers could enclose their feeding areas in a kind of plastic bubble, with a filtered vent that captures most of the methane.

That alternative has been rejected by the dairy industry as prohibitively expensive.

Farmers need research into ways to get more milk out of each individual cow, Mitloehner said.

The Associated Press contributed to this story.

## **Tree owners could reap climate bill windfall**

By Mary Clare Jalonick, Associated Press Writer

In the S.F. Chronicle, Modesto Bee and other papers, Thursday, June 25, 2009

WASHINGTON (AP) -- For years, landowners have gotten paid for not farming. Now they may get paid for not cutting down trees.

While U.S. families could see their annual energy bills rise hundreds of dollars under a massive climate bill that President Barack Obama and congressional Democrats are trying to push through the House, owners of large swaths of forestland — timber companies, large farms, even foreign countries — could reap billions of dollars.

The bill is aimed at curbing the gases, largely carbon dioxide from power plants and vehicles, blamed for global warming.

But it would allow polluters to buy credits from owners of forestland as an alternative to switching to fuels other than coal and gas or installing expensive equipment to capture the greenhouse gases. The land owners would get the credits because trees suck up greenhouse gases, preventing them from reaching the atmosphere and acting like a blanket to warm the Earth.

The premise is that at some point, the sources of greenhouse gases will find it cheaper to switch to other fuels or install pollution controls than to keep paying for the credits.

"In effect, the public is going to pay polluters to plant trees," says Frank O'Donnell of the advocacy group Clean Air Watch. "Does that really lead to a major improvement in global warming? I don't know and I'm not sure anybody knows."

Here's how it works, hypothetically.

Say an acre of forestland sucks up two additional metric tons of carbon after a landowner plants more trees on his land or promises to rotate the way he cuts them down so more are standing at once. If the pollution market created by the legislation is currently trading at \$20 a ton, then the landowner could stand to make \$40 per acre if he qualifies for the program — a potentially good investment for owners of large tracts of forest, such as timber companies or large corporate farms.

The legislation would also extend to international forests, promising to pay some countries that agree to slow their harvesting of trees abroad.

The Agriculture Department, which includes the U.S. Forest Service, will oversee the domestic program and develop regulations for verifying whether a forest owner's particular tract of land is actually capturing carbon. Farm state lawmakers had threatened to vote against the bill if the Environmental Protection Agency was given that authority.

Rep. Collin Peterson, the Minnesota Democrat who led the fight to include the offsets for forests and other agricultural programs, said many farmers don't trust the EPA.

The program is not unlike another set of payments that many farmers have been receiving for years — conservation subsidies that pay farmers not to plant on environmentally sensitive land.

Farmers and foresters are also exempt from the bill's greenhouse gas emission reduction requirements under the bill.

Critics say the program is ripe for abuse and that landowners could reap new rewards for things they're already doing.

Much of the concern revolves around how the Agriculture Department can accurately measure how much carbon is sucked up by a particular tract of trees and the government's ability to enforce penalties against those who collect money for the credits and don't produce results.

Another concern is weather and disease, which can destroy a forest in a short period of time. The legislation takes into account these "unintentional reversals" in carbon absorption, and a landowner may not have to pay back all of the funds he collected if the devastation wasn't his fault.

Kate Horner, a policy analyst for the environmental advocacy group Friends of the Earth, says the international aspect is particularly troubling. It will not be easy for the United States to monitor what is going on in other countries, she says, or to know if the offsets will actually reduce carbon emissions or help save forests.

"What these forest offsets will do is to pay forest destroyers for doing something in a slightly less bad fashion," she says.

Dave Tenny, the president and CEO of the National Alliance of Forest Owners, says the program could help those in the forest industry who have suffered from a slowdown in homebuilding over recent years.

"If someone is able to benefit from that economically, the fundamental question is, 'Is that bad?'" said Tenny, who lobbied for the language.

## **Questions and answers about the US climate bill**

By Dina Cappiello and Eric Carvin, Associated Press Writers

In the SF Chronicle, Modesto Bee, Tri-Valley Herald and other papers, Friday, June 26, 2009

Cap-and-trade? Offsets? Pollution credits? The climate bill under consideration in the U.S. House of Representatives tackles global warming with new limits on pollution and a market-based approach to encourage more environmentally friendly business practices. But what exactly do the proposed rules mean, and how would they work?

Some questions and answers about the bill, a top legislative priority for President Barack Obama:

Q: What's the purpose of this legislation?

A: To reduce the gases linked to global warming and to force sources for power to shift away from fossil fuels, which when burned, release heat-trapping gases, and toward cleaner sources of energy such as wind, solar and geothermal.

Q: How does the bill accomplish this?

A: By placing the first national limits on emissions of heat-trapping gases from major sources like power plants, refineries and factories. This limit effectively puts a price on the pollution, raising the cost for companies to continue to use fuels and electricity sources that contribute to global warming. This gives them an incentive to seek cleaner alternatives.

Q: Is this the "cap-and-trade" idea that has been in the news?

A: Yes. The first step in a cap-and-trade program sets a limit on the amount of gases that can be released into the atmosphere. That is the cap. Companies with facilities that are covered by the cap will then receive permits for their share of the pollution, an annual pollution allowance. This bill initially would give the bulk of the permits away for free to help ease costs, but they still would have value because there would be a limited supply. Companies that do not get a big enough allowance to cover their pollution would either have to find ways to reduce it, which can be expensive, or buy additional permits from companies that have reduced pollution enough to have allowances left over. That is the trade. Companies typically would pick the cheaper option: reducing pollution or buying permits. They also have a third choice: They can invest in pollution reductions made elsewhere, such as farms that capture methane or plant trees. These are known as offsets.

Q: So the idea is to try to reduce the overall level of pollution, regardless of whether, say, a particular factory reduces emissions?

A: That is true in the beginning. But as the cap gets lower and lower, reaching an 83 percent reduction by 2050, eventually all polluters will have to reduce. It is merely a question of when. For instance, it will be very tough for coal plants to reduce emissions at the outset of the program because the technology to capture and store carbon dioxide is not yet commercially available. It probably is 10 to 20 years away. So they will be buying offsets and buying allowances from other entities that will have an easier time.

Q: Do most environmentalists support this approach?

A: Most do, at least broadly. Cap-and-trade has had success. Since 1990, the United States has had a cap-and-trade program for sulfur dioxide, the main culprit in acid rain. Democrats have had to make a lot of concessions to win votes for the current bill from lawmakers from coal, oil and farm states. Some liberal environmentalists think these concessions weaken the bill. For instance, the bill's sponsors have had to lower the cap—it originally called for a 20 percent cut by 2020—to 17 percent. Research suggests that much deeper cuts will be needed globally to avert the most serious consequences of global warming.

Q: Who opposes this approach, and why?

A: Republicans, some farm groups, some environmentalists, the oil industry, which feels it has received too few free permits, and some moderate Democrats. They all worry about the cost and the loss of jobs if industries move to countries that do not have controls on greenhouse gases. The bill has provisions to prevent this, but there are questions whether they will work. Republicans call the bill a national energy tax on every American family. This is because, as industries spend money to reduce pollution or buy credits, they will pass on that cost to consumers, the people who turn on the lights or pump gas in their cars. Recent analyses by the nonpartisan Congressional Budget Office show that the new rules eventually will cost the average household an extra \$175 a year.

Q: Under the bill, what will happen to companies that do not follow the rules?

A: If they exceed their limit, they will have to pay a fine equal to twice the cap-and-trade price for each ton of pollution over the limit.

Q: Other than costs potentially being passed along to consumers, will this affect most Americans' day-to-day lives?

A: It fundamentally will change how we use, produce and consume energy, ending the country's love affair with big gas-guzzling cars and its insatiable appetite for cheap electricity. This bill will put smaller, more efficient cars on the road, swap smokestacks for windmills and solar panels, and transform the appliances you can buy for your home.

Q: How quickly will we notice these changes?

A: Some will occur more quickly than others. For instance, measures to boost energy efficiency in buildings and appliances are the low-hanging fruit that does not require major infrastructure changes or new technologies. Other changes are decades off and probably will come when the cap gets more stringent and permits get more expensive. For instance, the country can build more wind and more solar panels, but currently it lacks the transmission lines to move the energy they generate to population centers. As for cars: While more efficient models are a near-term reality, it will take a while to change out the fleet. Some people will continue driving 10-year-old gas guzzlers.

Q: What are the chances this bill will become law?

A: Both the Obama administration and Democrats want this bill passed by the end of the year, when negotiations for a new international agreement to reduce greenhouse gases get under way in Copenhagen, Denmark. Even as Democrats hold the majority in Congress, it will not be easy to get this enacted. Many moderate Democrats from rural states and conservative districts are worried about the costs and complexity of the legislation when the economy is already weak. Very few Republicans, if any, are expected to support the bill. Approval of a climate bill in the Senate has been viewed as a long shot. Parts of the bill may need to be changed to secure approval in the Senate.

Q: Why is it so important to tackle global warming anyway?

A: Left untended, scientists say, global warming will cause sea levels to rise, increase storms and worsen air pollution. For these reasons, the Environmental Protection Agency recently concluded that six greenhouse gases pose dangers to human health and welfare. And politically, without U.S. action, developing countries like China probably will not agree to mandatory pollution limits.

## **House Democrats win key test vote on climate bill**

By H. JOSEF HEBERT and DINA CAPIELLO, Associated Press Writers  
Modesto Bee, June 26, 2009

WASHINGTON -- House Democrats narrowly won a key test vote Friday on sweeping legislation to combat global warming and usher in a new era of cleaner energy. Republicans said the bill included "the largest tax increase in American history."

The vote was 217-205 to advance the White House-backed legislation to the floor, and 30 Democrats defected, a reflection of the controversy the bill sparked.

The legislation would impose limits for the first time on [carbon dioxide](#) and other greenhouse gas pollution from power plants, factories and refineries. It also would force a shift from coal and other fossil fuels to renewable and more efficient forms of energy. Supporters and opponents agreed the result would be higher energy costs, but disagreed widely on the impact on consumers.

President Barack Obama has made the measure a top priority of his first year in office. The president, along with White House aides and House Democratic leaders, scrambled for the votes to assure passage. Speaker Nancy Pelosi, D-Calif., has pledged to get the legislation passed before lawmakers leave on their July 4 vacation.

The Senate has yet to act on the measure, and a major struggle is expected.

In the House, the bill's fate depended on the decisions of a few dozen fence-sitting Democrats, mainly conservatives and moderates from contested districts who feared the political ramifications of siding with the White House and their leadership on the measure.

Democrats left little or nothing to chance. Rep. Ellen Tauscher, D-Calif., confirmed by the Senate on Thursday to an administration post, put off her resignation from Congress until after the final vote on the climate change bill.

"The bill contains provisions to protect consumers, keep costs low, help sensitive industries transition to a clean energy economy and promote domestic emission reduction efforts," the White House in a statement of support for the legislation.

Republicans saw it differently.

This "amounts to the largest tax increase in American history under the guise of climate change," said Rep. Mike Pence, R-Ind.

While the bill would impose a "cap-and-trade" system that would force higher energy costs, Republicans for weeks have branded it an energy tax on every American.

But Rep. Jim McGovern, D-Mass., said there was a "moral imperative to be good stewards of the earth."

The legislation, totaling about 1,200 pages, would require the U.S. to reduce carbon dioxide and other greenhouse gas emissions by 17 percent from 2005 levels by 2020 and about 80 percent by the next century.

U.S. carbon dioxide emissions from the burning of fossil fuels are rising at about 1 percent a year and are predicted to continue increasing without mandatory caps.

Under the bill, the government would limit heat-trapping pollution from factories, refineries and power plants. It would distribute pollution allowances that could be bought and sold, depending on whether a facility exceeds the cap or makes greater pollution cuts than are required.

Obama on Thursday called it "a vote of historic proportions ... that will open the door to a clean energy economy" and green jobs. "It will create millions of new jobs," Pelosi insisted.

Both Obama and Pelosi preferred to focus on the economic issues rather than on what environmentalists view as the urgency of reducing carbon emissions blamed for global warming.

The Rust Belt coal-state Democrats who have been sitting on the fence worry about how to explain their vote for higher energy prices to people back home - and how the vote might play out in elections next year.

Republicans have been quick to exploit those concerns.

"Democratic leaders are poised to march many moderate Democrats over a cliff ... by forcing them to vote for a national energy tax that is unpopular throughout the heartland," Republican leader John Boehner of Ohio said.

There was widespread agreement that under this cap-and-trade system, the cost of energy would almost certainly increase. But Democrats argued that much of the impact on taxpayers would be offset by other provisions in the bill. Low-income consumers would qualify for credits and rebates to cushion the impact on their energy bills.

Two reports issued this week - one from the nonpartisan Congressional Budget Office and the other from the Environmental Protection Agency - seemed to support that argument.

The CBO analysis estimated that the bill would cost an average household \$175 a year; the EPA put it at between \$80 and \$110 a year.

Republicans questioned the validity of the CBO study and noted that even that analysis showed actual energy production costs increasing \$770 per household. Industry groups have cited other studies showing much higher cost to the economy and to individuals.

## **Recession, expensive oil slow CO2 growth in 2008**

By Arthur Max, Associated Press Writer

In the S.F. Chronicle and other papers, Thursday, June 25, 2009

AMSTERDAM, Netherlands (AP) -- The global recession has an up side, at least for people worried about climate change: carbon emissions are growing more slowly than in recent years, Dutch researchers said Thursday.

But they also said the emissions of developing countries were higher than those of the industrialized world for the first time last year.

Less money in the bank, higher oil prices and a growing use of wind, solar and other renewable energy resources put a brake last year on the increase of the most common greenhouse gas blamed for global warming, said the Netherlands Environmental Assessment Agency.

The growth in CO2 emissions halved to 1.7 percent, compared with a growth of 3.3 percent in 2007, and an average annual growth of 4 percent since 2002, said the report. The world spewed 31.5 billion tons of carbon into the air last year, more than double the amount in 1970, it said.

Emissions actually declined by 3 percent in the United States in 2008 from the previous year, largely because high gasoline prices kept road travel down, said the agency, a government-funded body that advises the Netherlands on environmental policy.

U.S. fossil fuel consumption fell 7 percent last year, which led to global decline of 0.6 percent — the first drop since 1992, the report said.

Also for the first time, carbon emissions were higher from developing countries, including expanding economic powerhouses like China and India, than for the industrialized world.

"Every major economic recession would cause a blip on the energy consumption statistics and on carbon emissions," said Jos Olivier, the report's lead author. Whether the trend continues depends on the economic recovery, oil prices and on government policies that could encourage the curbing of pollution, he said in an interview.

The agency based its assessment on data gathered from a variety of sources, including a country-by-country fuel trend report by British Petroleum and statistics from the European Union's Joint Research Center, the International Energy Agency in Paris and the Energy Information Agency in Washington. Two years ago it was the first to report that China had overtaken the United States as the world's largest emitter.

The report takes on added significance since it comes five months before 192 countries are due to agree on a new deal to control greenhouse gases, replacing the Kyoto Protocol that expires in 2012. Under Kyoto, industrialized countries agreed to reduce carbon emissions by 5 percent from 1990 levels, while developing countries faced no obligations.

Olivier said one message of the report is that developing countries are equally important in combating climate change.

The report said China's emissions grew 6 percent last year, the lowest rate since 2001. China's voracious use of coal and its production of cement and steel have tapered off since peaking in 2004, when its one-year increase in pollution was 17 percent.

In negotiations on a climate change accord to be concluded in Copenhagen, China has refused to accept binding limits on its carbon emissions, arguing that per person it emits far less than the United States and Europe.

The Dutch report said that gap is shrinking. China emitted 2 tons of CO<sub>2</sub> per capita in 1990, but that has now reached 5.5 tons. That remains far below U.S. levels, which was 18.5 tons per capita last year.

## **Mill teaches environmental benefits Residential, commercial builders study LEED standards**

By Debra Moore

For the Capital Press, Friday, June 26, 2009

Architects laid down their pencils and builders dropped their hammers last month. They, along with engineers from throughout Northern California, traveled to the Collins Pine Mill in Chester, Calif., to learn more about building "green."

Designer El O'Hare was there because one of his clients is seeking LEED certification for a new building project. The U.S. Green Building Council created LEED - Leadership in Energy and Environmental Design - in 1993. It is a rating system in which points are awarded for meeting environmental standards.

O'Hare, owner of O'Hare Drafting and Designs of Chico, Calif., said, "I'm just kind of learning about this. It's important for my business."

There is more pressure now to construct environmentally friendly projects for both residential and commercial builders. Many jurisdictions are awarding financial incentives to those who build green.

The Collins Companies, a family-owned timber and forest products company, was formed in 1855. It has built a reputation on being environmentally friendly and has been nationally recognized and won numerous awards for its efforts.

The Collins Pine Mill in Chester, Calif., produces 120 million board feet of timber each year, yet the forest that supplies the wood contains more timber than it did 100 years ago.

That's because the Collins Companies, based in Portland, Ore., grows more timber than it harvests on its forests. It is the first privately owned company in North America to be certified by the Forest Stewardship Council.

The Collins Companies' efforts to protect the environment can now help architects, engineers and builders meet their clients' demands to become LEED certified.

"When it comes to green building, everybody has been talking about operating energy," said Lisa Podesto, of WoodWorks California. "They focus on the mechanical and electrical systems of the building."

Podesto said that how the building is constructed is just as important. "Wood is better than steel or concrete," Podesto said, "because there is less waste and air pollution in producing it."

Podesto suggested that architects and engineers specify wood in their designs. Projects can be awarded points for using wood, and even more points can be awarded for using wood that has been LEED certified.

To date, the Collins Companies is the only North American company that has received that designation for some of its wood products.

The designation is given to wood that meets environmental standards from the time it is grown in the forest through harvesting and production.

Those who visited the Collins Pine forest saw the company's practices firsthand. Forester Jay Francis led the men and women on a tour that included a discussion of forest management practices and sustainable forest certification.

The manner in which the trees are planted, nurtured, thinned and harvested lead to healthy forests that are less susceptible to wildfire and provide habitat for a variety of species.

The tour proceeded to the sawmill, where participants followed the timber from the log yard, through the mill and into the kilns to dry. Due to a downturn in lumber demand, Collins Pine has scaled back production and is now running just one shift per day.

Collins Pine also operates a cogeneration facility where bark, wood chips and other salvage - referred to as biomass - are converted into energy. The turbine operates 24 hours per day, 365 days per year and produces enough electricity to power the mill with the remainder sold to the local utility company.

Wade Mosby, the company's senior vice president, is proud of the facility. "We use 100 percent of everything," he said.

Energy is produced by burning the biomass to produce steam. The steam drives a turbine, which turns a generator to create electricity. This results in low emissions compared with burning fossil fuels.

Terry Collins, a member of the Collins family, spoke about wood's ability to help the environment.

"We have a positive role," Collins said. "We are part of the solution, not the problem."

He explained that trees pull carbon dioxide out of the atmosphere and store it, while producing oxygen. Young trees take in more carbon dioxide than mature trees, so plant-ing seedlings to replace harvested trees reduces the amount of gas in the atmosphere. When the trees are cut down and used in construction, the carbon dioxide is stored for the life of the structure.

At the end of the day, the tour participants studied the various types of lumber produced at the Collins Pine Mill. As they ran their hands over the wood's surface and discussed the merits of each type of board, they could now appreciate not only which was easiest to pound a nail into, but what the wood meant to the environment.

## **2 FutureGen partners drop out of coal project**

By DAVID MERCER Associated Press Writer  
Modesto Bee, June 25, 2009

CHAMPAIGN, Ill. -- Just two weeks after the federal government revived plans to build the FutureGen power plant in eastern Illinois, two of the experimental coal plant's financial backers said Thursday they are withdrawing.

The exit of American Electric Power Co. and Southern Co. leaves the nine power and coal companies that are still part of what's known as the FutureGen Alliance searching for new partners to help cover building and startup costs they expect to reach roughly \$2.4 billion.

The Department of Energy said June 12 that it would provide just over a billion dollars in stimulus money as it agreed to restart the long-stalled project, aimed at proving that the [pollutant carbon dioxide](#) can be removed from coal and safely stored.

Both AEP and Southern, two of the country's largest utilities, cited concerns about cost.

AEP says it will leave the project by July 1, mentioning both uncertainty about its details and how much money the Columbus, Ohio-based utility would have to spend.

"There's like a billion dollar shortfall between what the alliance originally agreed to fund and what we think it's going to cost," AEP spokeswoman Melissa McHenry said. "There's not a definitive message from the Department of Energy of what scope and scale the project" will be, she said.

In reviving the project, the Department of Energy has said FutureGen's carbon removal and storage goals might have to be scaled back.

In a weak economy, AEP is cutting its capital spending and will focus on other carbon capture projects that it is involved in, McHenry said.

Earlier this year, however, AEP's Chairman, President and CEO Michael Morris had promoted FutureGen as a good candidate for federal stimulus money. "That is one clean coal project that is shovel ready," he told The Associated Press. "The world needs the technology."

Southern Co. spokesman Steve Higginbottom called the company's decision "definitely financial" and declined to elaborate. The Atlanta-based utility will spend only on other carbon capture projects it is working on, he said.

FutureGen had already said it needed to find new partners to help share the costs of the project, spokesman Lawrence Pacheco said, and is negotiating with several companies. He declined to name them.

"The alliance," Pacheco added, "will be working with DOE to figure out the cost share of the project moving forward, and that agreement will reflect the scale of the project, as well as the cost."

Energy Secretary Steven Chu said earlier this month that developing the carbon capture technology that would be used by FutureGen would be "critically important for reducing greenhouse gas emissions in the U.S. and around the world." Coal-burning power plants are the top producers of carbon dioxide, the major greenhouse gas linked to global warming.

The Department of Energy said Thursday it knew the two companies intended to withdraw when it announced plans to restart FutureGen, and that it remains committed to the project.

"Secretary Chu believes the FutureGen project holds great promise and looks forward to working with the members of the Alliance who are committed to developing a flagship commercial-scale carbon capture and sequestration facility," spokeswoman Stephanie Mueller said in an e-mail.

U.S. Sen. Dick Durbin, an Illinois Democrat who has long championed the project, said Thursday that he doesn't think the departure of Southern and AEP will hurt FutureGen.

"I believe the Alliance will continue to grow in membership, in strength and in their partnership with the DOE," he said in a statement.

At one time 13 companies were involved in FutureGen. Peabody Energy Corp., Consol Energy Inc. and the others decided in late 2007 to build the experimental plant in Mattoon, Ill. The Department of Energy shelved the project weeks later over cost overruns that later proved to be inaccurate.

## **EU: we want US climate bill to succeed**

By AOIFE WHITE

Merced Sun-Star, Friday, June 26, 2009

BRUSSELS The Europe Union wants a U.S. climate change bill to succeed so the United States can move swiftly to curb greenhouse gas emissions, EU Commission President Jose Manuel Barroso said Friday.

Barroso said Europe was closely watching U.S. lawmakers as they discuss the Waxman-Markey bill that would set up a cap-and-trade program to limit how much carbon dioxide power plants and other major polluters could release.

"We want the U.S. to go as far and as fast as they can on climate change," Barroso said. "We want Waxman-Markey to succeed. ... Rarely, perhaps, has U.S. domestic legislation been so carefully monitored internationally."

"President Obama's personal commitment ... has amounted to nothing less than a sea-change in the U.S. position. His leadership means that the United States is now back at the table (at international climate change talks)," Barroso said.

U.S. [carbon dioxide emissions](#) from the burning of fossil fuels have been increasing at about 1 percent a year and are expected to continue to go up if no mandatory reductions are required.

EU Environment Commissioner Stavros Dimas said that the heads of the G8 group of developed countries had "a great opportunity" at a July 8-10 meeting in L'Aquila, Italy, to agree on deeper reductions in carbon dioxide emissions for a new global pact later this year.

"We need a breakthrough right now," he said.

Neither the U.S., Japan nor the EU has so far committed to making cuts of between 25 percent and 40 percent by 2020 that U.N. scientists say are needed to avoid a catastrophic rise in sea levels, harsher storms and droughts and climate disruptions.

Developing countries are calling on industrialized nations to promise major emission reductions when they discuss a new global climate change pact in Copenhagen in December.

The U.S. has not laid out any target so far but this week ruled out a 40 percent cut below 1990 levels.

The Waxman-Markey bill - proposed by Representatives Henry Waxman and Ed Markey - would launch a major U.S. effort to confront global warming and begin a shift away from fossil fuels to cleaner sources of energy.

It would require the U.S. to reduce carbon dioxide and other greenhouse gas emissions by 17 percent from 2005 levels by 2020 and about 80 percent by the next century.

It would potentially add costs to electricity generation and heavy industry because they would have to buy extra permits to pollute more than a certain amount. This aims to give them a financial incentive to use cleaner technology to reduce emissions.

A similar cap-and-trade program has been up and running in the EU since 2005 but failed initially to trigger major emissions cuts because too many permits were handed out. Tighter limits were set for the second phase of the program from 2008 to 2012.

The EU says it will reduce emissions by 20 percent - but step that up to 30 percent if other regions do the same. Japan has promised a 15 percent cut of its own emissions and pay for carbon offsets in developing countries to represent another 5 percent.

Australia - which is not part of the G8 group - says it will make a 25 percent cut, a major turnaround. Australia and the U.S. were the only two major industrialized nations not to agree greenhouse gas reductions at the last global climate deal struck in Kyoto in 1997.

## **Pa. plans to join feds in Erie Coke pollution suit**

The Associated Press

In the Contra Costa Times, Tri-Valley Herald and other papers, Friday, June 26, 2009

ERIE, Pa.—State environmental regulators say they plan to join a lawsuit which they say federal regulators plan to file later this year over pollution concerns at the Erie Coke Corp. plant.

The Pennsylvania Department of Environmental Protection's northwest regional director Kelly Burch says the plant has exceeded pollution limits at least 30 times since June. That's when the state ordered the company to immediately begin complying with air quality laws and issued a civil penalty for \$6.1 million.

Erie Coke appealed both of those actions but hasn't commented on the DEP's plans to join the federal lawsuit.

Burch says federal and state regulators have been unable to reach a pollution settlement, so the lawsuit will be filed by August.

Information from: Erie Times-News, <http://www.goerie.com>

Fresno Bee Political Notebook, Friday, June 26, 2009:

### **Florez vs. Denham, round one?**

By John Rich

Bee Capitol Bureau commentator Dan Walters says the dustup over remarks by Merced County Supervisor Mike Nelson about air quality may be an opening salvo in the 2010 campaign for lieutenant governor.

Nelson, who's a member of the San Joaquin Valley Air Pollution Control District board, said during the May meeting that he tends to "tune out" when environmental activists address the board.

That drew protesters to last week's meeting.

Behind the scenes, state Sen. Dean Florez, D-Shafter, sent Nelson a letter saying his remark created an "unwarranted level of hostility."

And on Monday, state Sen. Jeff Denham, R-Merced, interceded on his behalf with a letter to the board praising him as "knowledgeable, accessible and reasonable" and labeling Florez's criticism as "self-serving."

With Lt. Gov. John Garamendi running for Congress, the lieutenant governorship will likely be vacant next year. Florez and Denham are potential, even likely, candidates.

Note: The following clip in Spanish discusses C.A.R.S: U.S. Department of Transportation will offer discounts of up to \$4,500 for fuel efficient vehicles. For more information on this or other Spanish clips, contact Claudia Encinas at (559) 230-5851.

### **C.A.R.S: El Departamento de Transporte de EEUU concederá descuentos hasta \$ 4,500 por la compra de vehículos de bajo consumo**

Impacto USA, Thursday, June 25, 2009

Washington, 25 jun (EFE).- El Departamento de Transporte de EEUU anunció hoy un programa que permitirá la compra rebajada de vehículos nuevos al intercambiarlos por otros con menor eficiencia de combustible, con el fin de incentivar las ventas de automóviles.

El programa, llamado Sistema de Descuento para Carros (CARS, por sus siglas en inglés), proporcionará a los consumidores hasta 4.500 dólares para comprar coches o camiones nuevos y de menor consumo, según dijo en un comunicado el secretario de Transporte, Ray LaHood.

El proyecto de LaHood persigue dos objetivos: retirar de las carreteras los vehículos más viejos y menos eficientes y ayudar a aumentar las ventas de vehículos "en un momento importante para la industria".

Los vehículos que se entreguen como moneda de cambio para obtener otros nuevos deben cumplir varios requisitos: ser manejables, no superar los 29 kilómetros por galón de gasolina consumido, y estar registrados y asegurados durante todo el año previo al intercambio.

En cuanto a los coches nuevos que se entregarán a cambio, no podrán costar más de 45.000 dólares.

El mayor descuento (4.500 dólares) se concederá por la compra de vehículos que puedan recorrer al menos 16 kilómetros más que el antiguo por cada galón de gasolina consumido, y a los que recorran al menos 6,5 más se les dará un incentivo de 3.500 dólares.

El sistema se implementará en 30 días a partir del miércoles, cuando el presidente Barack

Obama convirtió el programa en ley, y finalizará el 1 de noviembre de 2009, o cuando el Departamento de Transporte agote los fondos destinados al programa. EFE

[Note: The following clip in Spanish discusses energy measure receives historic number of votes.](#)

### **Medida energética sometida a histórica votación**

Gerald Herbert, AP

La Voz de Houston, Thursday, June 26, 2009, 9:54AM

La Cámara de Representantes se aprestaba para realizar el viernes una histórica votación sobre el proyecto de ley para combatir el calentamiento global y reorganizar la política energética de Estados Unidos.

El comité de normas de la cámara allanaba el camino para la sanción del proyecto durante la sesión matutina después de haber trabajado durante gran parte de la noche. Se ha previsto que el debate sobre la medida, que los republicanos rechazan por considerarla muy costosa, durará tres horas.

Aún no había certeza de que la presidenta de la Cámara de Representantes, Nancy Pelosi, hubiese asegurado los votos necesarios para aprobar la medida. La ley impondría en el país las primeras limitaciones de los gases de inversión térmica, que son vinculados al calentamiento de la Tierra, y que apartaría al país de la dependencia de combustibles de materia orgánica, como el petróleo.

Un pequeño grupo de demócratas indecisos tiene la llave para la aprobación del proyecto de ley que los líderes legislativos tratan de sancionar antes de que el Congreso suspenda su sesión durante una semana con motivo del feriado por la conmemoración de la independencia de Estados Unidos, el 4 de julio.

El presidente Barack Obama instó el jueves a los legisladores, tanto mediante llamadas telefónicas personales como en un discurso en el jardín de la Casa Blanca, a que aprueben la propuesta, en lo que calificó de "un voto de proporciones históricas... que abrirá la puerta a una economía de energía limpia" y a empleos favorables al ambiente.

El presidente y Pelosi, que ha puesto todo su esfuerzo en la aprobación de ley de protección ambiental, trataron de contrarrestar una serie de críticas por parte de los republicanos que han calificado el proyecto de ley como una pesada carga tributaria energética para los estadounidenses y un "eliminador de empleos" especialmente en partes cuya economía depende del sector energético.