

## **Program offers cities a plan to address emissions energy use**

By Kendall Septon

Patterson Irrigator, Friday, Jan. 14, 2011

The San Joaquin Valley has gained notoriety over the years as one of the worst air-pollution basins in the nation. Moving forward, though, a new sustainability outreach that ends later this month could help Patterson and other cities throughout Stanislaus County change that image.

The Green Communities Program, organized by the Great Valley Center and funded by Pacific Gas and Electric Co. and the California Public Utilities Commission, will help cities, free of charge, to develop a detailed list of greenhouse gas emission sources and levels. In the end, with the help of the International Council for Local Environmental Initiatives' Local Governments for Sustainability, paid university interns will work with city staff to recommend how each city can reduce the energy it uses each day.

"Hopefully, this will help the city make better decisions, in a cost-effective manner, about how we decide to operate in the future," said Joel Andrews, interim community development director for the city of Patterson. "We are always looking for ways to do things better, become more efficient."

Advocates say the effort could help cities reduce their greenhouse gas emissions as mandated by Assembly Bill 32, the Global Warming Solutions Act of 2006, which is set to take effect in 2020. Cities must start this year to show how they will meet reduction measures by the 2020 target.

Patterson intern Bryce Dias, a graduate student at California State University, Stanislaus, is working to estimate how much greenhouse gas the city produced in 2005 and the costs associated with its energy use, to establish a base year to compare against in the future.

To date, Dias has used a number of methods to get the most accurate assessment, such as collecting utility data and interviewing city staff about how they commute to work, as well as their management of sewage treatment and solid waste. He's even asked how many times fire extinguishers were used during the year.

"There is really a great amount of detail that goes into this and a lot of data to dig up," he said. "It's exciting to be involved in such a positive project."

Greenhouse gases, such as carbon dioxide, methane and nitrous oxide, are created and released in many ways. However, state climate data estimates that about 80 percent of California's emissions come from human-generated sources, such as automobiles, electricity production and other industrial sources.

Most scientists say the gases can become a problem if people release them faster than Earth's natural systems can re-absorb them, because they build up and trap the sun's heat, causing the planet's atmosphere to warm.

So far, valley cities including Modesto, Turlock, Oakdale, Riverbank, Hughson, Waterford, Newman and Livingston have signed on to participate in the Great Valley Center's pilot program.

The center's Interim Executive Director Dejeune Shelton, a former Patterson city councilwoman, said she hopes the work will launch more forward thinking and allow city governments to set an example for the public.

"In the Central Valley, there are a lot of emissions that negatively affect people's health and quality of life," Shelton said. "Anything that cities can do to reduce that and their energy consumption is going to have a positive effect on their communities."

## **Reconfiguration brings refinery near turning point**

By John Cox, Californian staff writer

Bakersfield Californian, Monday, Jan. 17, 2011

When it finally fires up again in another six months or so, the former Big West refinery on Rosedale Highway isn't expected to look much different. But work begun there recently promises to transform the plant in ways important to the local economy as well as its new owner's financial well-being.

The Dallas-based company that purchased the refinery out of bankruptcy last year, Alon USA Energy, has advertised to fill about 40 new positions ranging from hourly maintenance workers to salaried engineers. That would raise the plant's payroll to about 100 workers, which would still be well below the 175 jobs eliminated when the plant shut down two years ago amid the bankruptcy of Utah-based former owner Flying J Inc.

Not as much staffing is necessary because Alon plans to run the refinery much differently than Flying J did. Instead of processing locally produced crude oil, Alon intends to refine a substance known as vacuum gas oil left over from its refinery operations in Paramount, near Long Beach in Los Angeles County.

Currently, the Paramount plant sells its gas oil to more complex refineries in the Los Angeles area, as Flying J did at Big West.

### **Observers' doubts**

Alon's plans have stirred skepticism locally and within the industry -- mainly because the roughly 120 miles to Paramount is a long way to ship a petroleum product into oil country. Also, processing gas oil this way would use only about half of the refinery's existing equipment; Alon plans to sell some of the rest of it.

Alon and people who monitor the company say similar projects have succeeded elsewhere. They contend that a more important factor in making the plant viable in a competitive and volatile industry lies in improving its California refining margin, which is the difference between how much Alon pays for crude oil in the state and how much it makes selling fuel and other products. Refining margins reflect global and regional market forces as well as a company's operating efficiencies.

As recently as last fall, Alon's refining margins in California were dismal. While the company earned about \$5 for every barrel of oil it refined at its Big Spring refinery in Texas, Alon made only 17 cents a barrel at its refinery in Paramount.

And that's only part of the problem. Observers have taken issue with the company's heavy debt load and its reliance on retail fuel and asphalt sales. In the three months ended Sept. 30, Alon reported losing nearly \$16 million, up from about \$27 million over the same period a year before.

Hence the overhaul of the Bakersfield refinery. Without saying how much the project costs or exactly what financial goal it's supposed to achieve, company executives voiced hope that it will improve Alon's financial condition.

"The whole reason we're doing this project is to improve the economics of this refinery through conversion of the gas oil," said Ed Juno, Alon's vice president of West Coast refining. He added that the project should more than double the Paramount plant's productivity.

### **Doing the work**

The actual work of reconfiguring the refinery, Juno said, involves repiping connections between various vessels at the plant, changing out the chemical catalyst in a key piece of equipment called a hydrocracker, and making sure the plant has been sufficiently maintained to handle being started up again after being idled for two years.

Juno said Alon hopes to hire a crew quickly to complete the process, which is expected to take five to seven months, and be complete in June or July.

The company has received numerous job applications, including from former Flying J employees who worked at the plant, Juno said.

Ed Huhn, secretary-treasurer of United Steelworkers Local 219, the union that represents some employees at the refinery, said many good workers have applied for jobs there. He said that although some former Flying J workers have found work elsewhere, many remain who would like to return.

"I'm guessing there's probably 35 to 40 who still at this time are looking to find jobs," he said.

### **Watching from afar**

Many eyes will be monitoring the company's progress through the plant's reconfiguration. Some are watching all the way from Wall Street.

Last month, Standard & Poor's placed Alon under review because of its recently poor financial performance. In doing so, the credit ratings agency said it will "evaluate" the company's work in Bakersfield, among some other of its activities.

Jim Byrne, an energy analyst with BMO Capital Markets who covers Alon's stock from Calgary, Canada, said unforeseen problems could yet arise as the company prepares to restart its Bakersfield refinery. But he agreed that the idea behind the reconfiguration appears sound, and that depending on what goes on in the global economy, Alon's fortunes could turn around soon.

"They might time (the reconfiguration) well and things could improve this year," he said. But he added, "We're not anticipating much of any improvement."

Byrne added that one potential challenge deals with how Alon will bring gas oil north from Paramount. The company has said it wants to lease a pipeline that runs from Los Angeles County over the Grapevine into Bakersfield.

"It does hinge a little bit on that pipeline," he said.

Juno said the pipeline deal remains two to three years away, and that Alon plans to ship the gas oil by rail or truck in the meantime. The cost is about the same, but a pipeline would be more reliable, he added.

The Motley Fool, a website that provides investment tips, has been more optimistic about Alon than others, saying in a brief late last month that refiners including Alon eventually may see better profit margins.

The Motley Fool also noted that Alon has been able to add refining capacity at a discount -- an apparent reference to the company's purchase of the Bakersfield refinery last spring for \$40 million plus the cost of its on-hand fuel inventory. (Alon reported in November that its bankruptcy-court purchase of the Rosedale Highway refinery represented a bargain that saved the company \$16.2 million.)

Huhn, the union official, expressed hope that the refinery's restart would coincide with more favorable conditions in the oil and fuel markets.

"Obviously I'm wishing 'em luck," he said. "It's gonna be good for the community."

## **West Park details promised soon Cryptic Crows Landing project to be revealed**

By Garth Stapley

Modesto Bee, Sunday, Jan. 16, 2011

Closely guarded details of a controversial vision to create thousands of jobs at an abandoned air base near west Stanislaus County's Crows Landing should become public in a few weeks.

Developer Gerry Kamilos will try to reassure leaders with a status report on his West Park dream, he said Thursday, two days after county Supervisor Jim DeMartini publicly demanded that Kamilos show progress or go away forever.

"This West Park project has been dragging on for years," DeMartini said, equating the promise of a bustling industrial hub with a house of cards. "This county deserves some answers."

None of DeMartini's colleagues on the Board of Supervisors rushed to Kamilos' defense Tuesday, the first board meeting since Kamilos' most vocal champion, Jeff Grover, was replaced by new Supervisor Terry Withrow. He had bashed the Crows Landing project while campaigning before his election in June.

Rick Robinson, the county's chief executive officer, called DeMartini's comments "very appropriate" and said his staff will present a "full status report" with supporting documents and a "next steps" schedule by the end of February.

The county's deputy executive officer, Keith Boggs, said the presentation is likely to occur March 8.

"I'm very interested myself to hear the update," said Boggs, the county's principle link to Kamilos' team. "Mr. Kamilos and West Park need to shed some reality-based light on their project."

DeMartini continued heaping criticism after Tuesday's meeting, questioning Kamilos' financing, the wisdom of a new solar farm component and whether the Port of Oakland gives more than lip-service support to the idea of a rail link with Crows Landing.

The project has been hotly debated since before a majority of supervisors agreed to negotiate exclusively with Kamilos nearly four years ago. His plans to transform the former Navy air base into a business park and expand it into a 4,800-acre job center stalled when upset West Side neighbors and Patterson officials sued over environmental questions.

Kamilos prevailed in appellate court in March, but hasn't done much to placate increasingly impatient leaders since. Officials had demanded a new specific plan by fall, with information on a water source, other utilities and development standards, and Kamilos in September said he was eager to comply, but has yet to come through.

"It's past due for him to present this project, show us the money, show us these jobs," said DeMartini, whose district includes the county's West Side. "Now is the time. Either he's got something or he doesn't."

Talks with port, railroad

On Thursday, Kamilos said talks continue with the Port of Oakland and Union Pacific Railroad. The 600-acre solar component could produce 100 megawatts, selling energy for money to help build the business park and energize it without creating the traffic neighbors fear, he said.

It's not related to a 1,000-acre, 110-megawatt solar plant near Santa Nella, a few miles to the south, for which plans emerged earlier last week.

"Our group has invested millions of dollars into the (Crows Landing) project," Kamilos said. "We have a very committed team to move this forward."

[Stockton Record Commentary, Tuesday, Jan. 18, 2011:](#)

## **We may have turned the corner on EVs**

By Michael Fitzgerald, Record Columnist

Chevrolet's Volt and Nissan's Leaf, two impressive electric cars, glided silently into Stockton this week. Perhaps it is better to simply say electric cars have arrived.

Finally.

These cars further the Prius's achievement of shedding the electric car's weirdo/wimp factor. They're not Dodge Chargers, but they flex respectable power and speed.

Both incorporate exciting technology.

I was curious. I drove an electric car 10 years ago. Back then, electric cars sounded good in principle, but were dull and asthmatic. More recently, I drove a GEM, a pug-ugly bubble cart.

The Volt - Motor Trend's 2011 Car of the Year - came to the showroom at Chase Chevrolet.

Technically, the Volt is a hybrid. It has a 149-horse electric motor and a 84-horse 1.4 liter internal combustion engine.

But the gas engine comes on only after the Volt runs its first 25 to 50 miles as an electric car. It powers a generator that keeps the electric motor going.

If you never exceeded the electric motor's range, you'd go virtually all-electric (the gas engine turns itself over briefly at wide intervals to stay in working order).

The gas engine means Volt drivers won't suffer "range anxiety," fear of batteries dying miles outside Winton with nowhere to recharge.

The Volt's exterior style is smart but not wow. Its interior is bland, though its hi-tech console embeds sophisticated touch screens.

"Turning on this car is like lighting up a computer. Star Trek stuff," said Assistant Manager Chip Kniss.

The car delivers good low-end torque, surging from zero to 60 in 8.8 seconds. I took it out on Highway 99. Thoughts of sissy EVs fell away as the Volt passed trucks.

The most admirable thing about the Volt is how all the innovation works imperceptibly under the hood. The two engines deliver power to the wheels in five different modes, depending on which is most efficient.

Motor Trend reckoned the Volt gets 72.9 mpg. Wowser.

Chevy applied for over 200 patents developing the Volt. Driving, it was good to feel an American carmaker using its noodle again, leaping out front.

The Volt costs a hefty \$41,000.

But the feds offer a \$7,500 rebate, the state \$5,000, San Joaquin County \$3,000, bringing the car down to \$25,500.

The Nissan Leaf, for its part, is entirely electric.

Its 48 lithium battery modules tucked under the floorboards power an 80-kilowatt AC synchronous electric motor. It's gas-free, a zero emission car. No tailpipe.

Currently available by order only, it reached first Stockton buyer Richard Harty days ago.

Harty commutes to Stockton from Lodi.

"When we vote, it doesn't make much difference," said Harty, a massage therapist. "Where we spend our money makes a difference."

The difference: "That we can get out from underneath Saudi oil. And all the expenses you pay to corporate energy."

The Leaf's economy goes beyond gas savings. There's no alternator, no radiator, no belts. No catalytic converter. No oil. So it requires less maintenance and fewer parts. And no smog test.

Nissan will not commit to an exact 0-60. Harty says 8 seconds. The car's top speed is 90 mph. Not exactly "2 Fast 2 Furious." Still, 90 mph is no slouch.

Certain features are hard to grasp for a traditional car driver, like "100 percent torque off the line." The Leaf doesn't need to get its RPMs up. It just bolts forward.

Harty drove onto Interstate 5. The Leaf swept up the onramp easily and equalized freeway speeds, like a typical compact.

Harty drives about 20 miles a day, round trip. Well within the Leaf's 100-mile range. They use his wife's SUV for longer travels.

"My gas bill was a couple hundred bucks a month," Harty said. "With this, it's about 10 bucks in electricity (going 20 miles a day, requiring one charge a week).

Nissan offers a charging option so Leaf owners can use dealerships as charging stations. A Zoloft for range anxiety.

iPhones have an app allowing Harty to set his recharging off peak hours and to monitor his energy usage on the road.

The Leaf has a nerdy, bug-eyed front. "It kind of looks like a fish," Harty admitted.

Cost: Harty paid \$32,000. Minus the rebates.

Harty sees electric cars as a historical societal game-changer.

"One day, I think, we'll make megawatt energy on our own. And it'll be distributed by a (people-powered) network, like the Internet," he said.

For now, such cars are good news in a Valley wheezing lungfuls of historically polluted air.