

## Revised hydrogen plant would emit less pollution

By John Cox, Californian staff writer

Bakersfield Californian, Thursday, May 10, 2012

A fertilizer factory and part-time hydrogen power plant proposed outside Tupman would produce less air pollution than had been anticipated under an earlier, electricity-only version of the project, according to paperwork filed this month with the state.

Although it still does not sit well with farmers and other neighbors, the \$4 billion Hydrogen Energy California project is expected to produce 164 tons a year of nitrogen oxide -- 16 percent less of the smog contributing gas than state officials said would have been produced under the project's earlier plans.

SCS Energy, the Massachusetts company behind the new proposal, also estimated that the project would emit 32 percent less carbon monoxide (275 tons a year), 40 percent less volatile organic compound (35 tons) and 23 percent less silicon dioxide (29 tons). The project is expected to produce roughly the same amount of fine particulates.

SCS purchased the project last year from oil giant BP and mineral company Rio Tinto, both of which bowed out after determining that their proposal did not make financial sense. SCS, in turn, changed the focus to producing urea and other fertilizers used in the Central Valley, as well as generating about 300 megawatts of power during times of peak demand, when electricity costs the most.

HECA, as the 470-acre project is known, aims to accomplish a number of government-supported goals, including creating up to 200 permanent jobs, testing clean coal technology, assisting nearby oil production and burying large quantities of the greenhouse gas carbon dioxide. HECA has received a \$408 million grant from the U.S. Department of Energy, largely because of the project's ability to demonstrate cleaner energy technology.

Los Angeles-based Occidental Petroleum Corp., operator of the nearby Elk Hills oil field, hopes to buy byproduct carbon dioxide from HECA and inject it underground as a way of promoting oil production. Oxy expects to store the gas -- some 3 million tons a year of it -- in the area's subterranean rock formations indefinitely rather than let the greenhouse gas vent into the atmosphere.

### Local objections

Neighbors maintain that the project is incompatible with surrounding land uses, which include dairy operations, farming, an equestrian center and residences. Apart from their fears about the traffic it would bring the area, neighbors contend that HECA would produce less pollution if it ran on natural gas instead of coal and petroleum coke.

"We're in jeopardy -- right next to it, and it's not proven," said farmer Chris Romanini, a member of Concerned Neighbors of HECA, which wants the project moved away from farms, houses and businesses.

Shafter almond farmer Tom Franz, president of a valleywide air quality and environmental justice advocacy group, called the Association of Irrigated Residents, said HECA's estimated nitrogen oxide emissions are still more than twice those of natural gas plants producing about the same amount of electricity.

"We're very concerned about NOx emissions here in the valley. We could care less about CO2," he said. CO2 is carbon dioxide.

"Why do they have to experiment with this type of power plant in our backyard when we have such terrible air quality?"

HECA officials told The Californian last month that they continue to seek financing for the project. They noted that one of the bigger engineering hurdles left is figuring out how to switch back and forth easily between fertilizer production and power generation.

If the project is approved by the California Energy Commission and the state Division of Oil, Gas and Geothermal Resources, HECA could begin construction in spring 2013 and become operational in fall 2017.

## **First Real Partner for California's Cap & Trade Program**

### **Quebec takes the plunge with California to swap carbon emissions permits**

By Craig Miller

KQED Climate Watch and other papers, Wednesday, May 9, 2012

Quebec has emerged as California's first full-blown partner in the carbon trading program that ramps up later this year. That means that, pending final approval next month, when the two governments issue their first round of greenhouse gas pollution permits in November, industrial buyers will be able to use them both interchangeably.

Mary Nichols, who chairs the California Air Resources Board and heads implementation of the program, says the move, "provides more options to California businesses and lays the groundwork for other partners to join with us."

Most other potential partners maintain only a paper presence in the so-called Western Climate Initiative, a regional carbon trading pact that was designed to create a regional carbon market. Nichols, who's on record saying that California would not "go it alone" in cap-and-trade, can breathe a small sigh of relief today. But Quebec is a relatively tiny partner, with economy one-sixth the size of California's.

"It's a demonstration that you can work out all the technical details and difficulties of linking two very different economies with each other, and create a tradeable instrument," Nichols told me by phone today, "It's an ambitious attempt," she conceded, but "an important step toward a global solution."

Nichols declined to predict what U.S. state might be the first to join hers aboard the carbon-trading bandwagon—or when, but she predicted there might be some movement after November's presidential election, and pointed to progress in three other Canadian provinces and recent legislation in Mexico, which she thinks sets the stage for a "vibrant potential North American market." She says she's optimistic that Ontario and British Columbia might join within a year or so.

Cap & trade remains a controversial policy, under which businesses pay fees to exceed their allotted carbon emissions, and can buy and sell credits among themselves, so long as total emissions don't exceed a state-imposed "cap." The concept has been opposed by both heavy industry and some environmentalists.

Québec's minister for Sustainable Development, Environment and Parks, Pierre Arcand, said in a prepared statement that, "Climate change is a global issue that must be addressed by all levels of government." Arcand added that he's, "optimistic" that his province's link with California "will be followed by many other partners."

Today's announcement triggers a 45-day public comment period in California, after which the Air Board is expected to formally adopt the linkage in June. The first linked auction between California and Quebec is scheduled for November, with a dry run in August.

## **New health issues arise in Kettleman City**

Rebecca Plevin

Vida en el Valle Tuesday, May 8, 2012

FRESNO -- First came the inexplicable birth defects.

At least 11 babies were born with major structural birth defects in Kettleman City, in rural Kings County, between 2007 and March 2010, according to a 2010 report by the California Department of Public Health (CDPH.) The report found there was no specific cause or environmental exposure that led to the defects.

Today, residents say a new health issue is emerging in this small farmworker community located near the intersection of State Route 41 and Interstate 5.

A 17-month old boy has leukemia, a 6-year-old has a brain tumor, and two teenagers have had tumors removed, said Maricela Mares-Alatorre, a longtime resident and a leader of the community's environmental justice organization. Three residents -- all between the ages of 40 and 50 -- have died of cancer in the past six months, she said.

In the community of about 1,439 people -- 96.1 percent of whom are Latino -- the situation is reigniting concerns about the health and safety of residents, she said.

"The birth defects were one thing," she said. Now, the illnesses afflicting children and teenagers, "sets off different kinds of alarm bells."

She is calling on state agencies to investigate these new cases, before they consider the proposed expansion of the hazardous waste landfill at Waste Management's Kettleman Hills Facility, located about 3-1/2 miles southwest of the community. The 2010 state study found no link between the facility and the birth defects.

"Until they find what is causing the birth defects, and what is causing this new crisis, it is irresponsible to add anything else that might harm our environment at this point," Mares-Alatorre said in a phone interview last week.

As of last Friday, the state health department had not been contacted regarding any new concerns about childhood cancers, department public information officer Norma Arceo said in an e-mail.

"If contacted with a specific concern, CDPH will review and respond," Arceo said. "CDPH has received no additional reports of childhood cancer among residents of the census tract that contains Kettleman City since the last report was disseminated in December 2010."

Mares-Alatorre said residents reported their concern to Department of Toxic Substances Control officials after a rally outside the agency's Berkeley offices in April.

Jennifer Andrews, director of communications for Waste Management, said the new health concerns should not postpone the permitting process for the proposed landfill expansion.

"As for our landfill expansion, the state already has done a comprehensive environmental exposure investigation and found no link between the Kettleman Hills Facility and environmental contamination in Kettleman City," Andrews said in an e-mail. "There is no reason to delay our expansion permit."

Even without another state study, Mares-Alatorre said the emergence of more illness has caused residents to fear there is something is wrong in their environment.

"These are people that we know, we live here, we see them on a daily basis," she said. "We don't have to wait for someone to generate a report -- we live it. I think people are wondering what is going on -- they have that fear in their heads now," she said.