Thursday, February 19, Los Angeles Times

Shell Oil's Decision to Shut Refinery Warrants Inquiry, U.S. Senator Says Ron Wyden wants to know whether the plan to close a plant in Bakersfield will tighten the supply of gasoline.

By Elizabeth Douglass Times Staff Writer

A U.S. senator from Oregon called Wednesday for an investigation into **Shell Oil** Co.'s plan to close its Bakersfield refinery, saying the move would benefit oil companies and worsen the tight gasoline market that is already causing pump prices to surge in California and the West.

In a letter to the chairman of the Federal Trade Commission, Democrat Ron Wyden asked the agency to determine whether Shell's plan to close the refinery Oct. 1 "will create further anti-competitive problems in West Coast gasoline markets, such as raising prices or restricting supply."

FTC spokesman Mitch Katz said the commission had received Wyden's letter. "We'll take a look at it, and determine what our response should be," he said.

Even with the Bakersfield refinery in operation, the price of regular gasoline in California has jumped more than 27 cents in the last seven weeks to an average of \$1.868 a gallon, according to a U.S. survey released Monday.

Market watchers said worries about production problems at two Los Angeles-area refineries have greatly accelerated the rise in gasoline prices, pushing wholesale prices in Los Angeles up 15 cents a gallon Wednesday from Tuesday's highs. Some worry that California retail prices could soon surpass last year's record average of \$2.145 per gallon, hit on March 17.

Mergers and refinery closures have left California with a precarious gasoline market, in which supply and demand are barely balanced, price spikes are frequent and four companies control 70% of the state's gasoline production.

Wyden, a frequent oil industry critic, urged the commission to consider Shell's decision to shutter its refinery in the context of the recent FTC-approved mergers. Critics say those mergers have given a handful of players the power to boost prices and profits through their control of gasoline supplies on the West Coast and elsewhere.

Because West Coast refineries are largely interdependent, when a price increase hits California, Washington state refineries often divert gasoline supplies to San Francisco or Los Angeles. That reduces supplies for the Pacific Northwest - including for Wyden's constituents in Oregon - and triggers higher pump prices there.

Shell, which also owns large refineries in Wilmington and the Bay Area, gained full ownership of the Bakersfield refinery as part of divestitures by **ChevronTexaco** Corp. that followed the late-2001 merger of Chevron Corp. and Texaco Inc.

The refinery, one of 13 fuel-producing plants in the state, makes about 840,000 gallons of gasoline a day, equal to about 2% of California's consumption. The plant also makes about 630,000 gallons of diesel a day, or about 6% of statewide demand.

Three months ago, Shell announced plans to close the Bakersfield plant because nearby oil fields are producing less of the molasses-like crude that feeds the refinery.

Wyden questions that explanation, citing increased oil drilling in the same area by

ChevronTexaco. Given the recent flurry of refinery purchases in the U.S., Wyden has asked why Shell never tried to sell the plant before opting to shutter it.

"We haven't changed our position," Shell spokesman Cameron Smyth said. "Ultimately the decision to close the refinery is based on the continuing decline in San Joaquin heavy crude."

Thursday, February 19, Hanford Sentinel

Compost project gets county OK

By James C. Loughrie, Sentinel Reporter

HANFORD - A plan to process human waste into compost was approved by the Kings County Planning Commission Tuesday night.

The commission voted 4-0 to approve the project at a meeting continued from earlier this month. Commission chairman Jim Gregory abstained due to a conflict of interest.

Though it may be the last hearing in Kings County, applicants Ceil Howe Jr., president of his family's Westlake Farms, and the County Sanitation Districts of Los Angeles County, a special sanitation district comprised of 78 unincorporated area cities in Los Angeles County, still have anywhere from six months to a year in permits before processing compost.

At full speed, the proposed facility will process 900,000 tons of compost a year, with 500,000 tons of treated sewage coming from the sanitation districts and 400,000 tons of green waste as a mixing agent.

Proponents of the compost plant argue that 200,000 tons, the expected amount used of agriculture waste from Valley farms, could help relieve farmers looking for a disposal method after legislation last year phased out agricultural burning.

The planning commission added a stipulation that all diesel-fueled equipment in operation at the plant more than six consecutive months use ultra-low sulfur fuel and that all engines be model year 2004 or newer.

After the county planning commission's approval, and an eight-day waiting period for appeals to the Kings County Board of Supervisors, the sanitation district must seek two permits from the San Joaquin Regional Air Pollution Control District and approval from the California Integrated Waste Management Board.

Of the 40,000 acres that makes up Westlake Farms, 14,500 will be sold to the sanitation district pending final approval of the compost plant. The plant location will sit within 1,000 acres located two miles from Interstate 5. An additional 1,500 acres that currently serves as evaporation ponds and wetlands will remain. The remaining 12,000 acres will be leased back to Westlake Farms.

Thursday, February 19, Tri-Valley Herald

Toxic tour sheds light on pollution

Event designed to show regulators impact of pollution

Douglas Fischer, STAFF WRITER

As bus tours go, this won't appear on any local visitor bureau promotion soon.

The itinerary: the state's newest Superfund site, in West Oakland; a former yeast plant known for venting carcinogenic acetaldehyde from its stacks; and a 98-year-old scrap iron foundry that violated air quality standards four times in the past two years.

It included a walk through Oakland's most hard-scrabble neighborhoods -- low-income, largely minority communities that choke on diesel and industrial pollution, where capped hazardous waste pits serve as parks and children climb on jungle gyms built underneath interstate highways.

But if the state is serious about cleaning up the air in poor neighborhoods and easing environmental injustice, regulators need to see such spots, say the activists organizing Tuesday's tour through Oakland.

The trip was the last of four tours throughout the Bay Area bringing those who make decisions about air pollution -- agency officials and air district board members -- to some of the region's most nefarious hot spots.

With the state starting to craft new environmental justice policies, activists hope the tours will galvanize regulators into sticking a bit more teeth into the rules.

"There's no way in the world this should be going on in anybody's district, in anybody's neighborhood," said Renee Morrison, president of the Chester Street Block Club Association.

"How is it that a board of people, which has never been to these sites, (can approve their permits)?"

Community and environmental activists would like to see entities like the Bay Area Air Quality Management District consider pollution's cumulative impacts before OK'ing pollution limits for individual companies.

In other words, a Richmond refinery or San Francisco power plant shouldn't get a permit until the air district considers exhaust from trucks cycling through a nearby port, commuters zipping past on a nearby highway and industrial polluters around the corner, their thinking goes.

That's a tough assessment to make, said Jack Broadbent, the district's top executive: "It becomes very difficult to say this particular area is overburdened."

For one thing, he said, a baseline must be established. For another, automobile and truck traffic dominate the equation and is frustratingly variable.

Still, work is under way to nail down some sort of assessment, said district spokeswoman Teresa Lee. And new diesel engine and fuel standards taking effect in two years should bring considerable air quality improvements.

In September a state panel approved perhaps the most far-reaching set of environmental justice policies in the nation, establishing guidelines that could color every California permit, regulation and program dealing with the environment and rewrite how the state assesses pollution.

Rooted in civil rights, the environmental justice movement calls for a change to policies and regulations that, intentionally or not, place a disproportionate share of environmental hazards in a few neighborhoods -- typically those of the poor and minorities.

Frustrating those efforts, however, is the Byzantine maze of agencies neighborhood organizations must negotiate. The air board oversees air quality. The U.S. Environmental Protection Agency enforces cleanups. The California Air Resources Board regulates car and truck exhaust. Representatives of all three were on the bus.

But to move a jungle gym from one end of a West Oakland park to another -- so it no longer sits underneath Interstate 880 and is more than just an errant soccer ball kick from the AMCO Chemical Site, California's newest Superfund site -- the Chester Street Block Club needs the city of Oakland.

They weren't there Wednesday.

Nor are activists like Morrison particularly optimistic an afternoon spent in her neighborhood will change many board members' minds.

"This was like a field trip for these folks. A paid field trip," Morrison said. "We won't know that they actually heard until we see some changes."

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Wednesday, February 18, Bakersfield Californian

District lets air out of company's tire plans

National Cement must submit environmental impact report before burning tires for fuel By MICHELLE TERWILLEGER, Californian staff writer

Plans by an east Kern cement plant to burn scrap tires for fuel have run into a snag from an environmental group and the plant's neighbors.

After public outcry, the Kern County Air Pollution Control District said Friday that National Cement Company of California would need to submit an environmental impact report before the district could approve the plans.

The decision was a reversal of the district's declaration in October that such a report was unnecessary because tests at the plant said there would be no significant impact to the environment.

National Cement hopes to put chipped tires in its giant kiln to substitute for up to 25 percent of other fuels, which can include petroleum coke and coal. Used tires have become a popular, cheap fuel alternative to feed the kilns in the cement industry. The kilns must maintain temperatures in the range of 3,000 to 5,000 degrees.

National Cement is located near the Los Angeles County border, east of Interstate 5.

The Center on Race, Poverty and the Environment argued there was reason to believe that tire burning at National Cement could have an adverse impact on the environment. In many cases, it argued, toxic emissions do increase when cement plants burn tires.

Caroline Farrell, an attorney for the center, argued that the California Environmental Quality Act requires an environmental impact report to be provided when there is a fair argument or substantial evidence that a project could have a significant effect on the environment. Farrell argued that the center did so in its correspondence with the air district.

Area residents also contacted the district with concerns about potential effects on air and water quality.

Tom Paxson, air pollution control officer for Kern County, wrote many of the residents back, answering their questions and stating that the project appeared to have no negative impact on the air or water in the area.

Residents also pointed to the cement company's prior air pollution violations, totaling 28 from September 2000 through November 2003.

Paxson stated in his letters, however, that the number of violations was acceptable considering the amount of potential emissions the plant could release.

Thursday, February 19, Los Angeles Times, Commentary

In the Fight Against Air Pollution, Diamonds Are a Hybrid's Best Friend A gas-electric car should be a ticket to drive in the carpool lane.

By Laurie David and Al Meyerhoff

California's "diamond lanes" - designed in the early 1970s to encourage carpooling, reduce traffic congestion and cut air pollution - have, by most measures, been a great success. Today, there are 1,112 miles of diamond lanes in California, and in Los Angeles alone they're used by about 700,000 people each day.

But rather than rest on that success, it's time to take the next step against pollution by opening diamond lanes to single- occupant gas-electric hybrids.

Hybrid cars, which use about half the gasoline of the average car, fight smog just as carpooling does, and they too should be encouraged by the state. True, there's already a tax credit (though meager) and rock-bottom monthly gas bills for hybrid owners, but by opening diamond lanes to single-occupant hybrids, California would score a double whammy, with an environmental benefit far greater than the sum of its parts. Given the state's increasing population (of both people and cars), the air needs all the help it can get.

Consider that we Californians now burn about 1 million barrels of gasoline daily, an amount likely to skyrocket because the rate of vehicle ownership is keeping pace with our burgeoning population. By 2020, there will be 30% more cars on our roads, and if the current trend continues, the majority will be bigger and less fuel-efficient. American cars and trucks already consume more than 8 million barrels of oil daily, putting the tab for foreign crude at about \$200,000 per minute.

Then there is pollution. Southern California smog levels last year were the worst in five years, and our three-decade trend of air quality improvement is in reverse. The air we breathe contains 188 different toxic substances, including carcinogens such as benzene, dioxin and chromium. Southern California's cars and trucks spew millions of tons of smog-forming chemicals, causing eye, ear, nose and bronchial irritation, asthma and respiratory disease.

Which brings us back to hybrids. Though these low-emission, fuel-efficient vehicles are increasing in popularity, especially in California, their sales are still only a drop in the bucket. Just last week, a General Motors spokesperson said demand for hybrid cars in the United States "is so marginal that American car companies can't afford to make them." Gas-electric vehicles need incentives to push demand past the tipping point. Allowing single-occupant hybrids into diamond lanes would be just the nudge that's needed.

Existing federal laws inexplicably hold light trucks (including pickups, SUVs and mini-vans) to lower fuel economy standards and often give their buyers huge tax breaks, thus increasing our dependence on foreign oil. On the other hand, a fuel-efficient fleet could save California 340,000 barrels of oil per day. Why not increase incentives for vehicles that sip gasoline instead of guzzling it?

Consider that a Cadillac Escalade with a driver and single passenger has full access to most diamond lanes, whereas a single-occupant hybrid using one quarter the gas and emitting far less pollution does not. That's why both Gov. Arnold Schwarzenegger, a Republican, and state Treasurer Phil Angelides, a Democrat, are championing access to diamond lanes as an incentive to go hybrid.

Such a policy wouldn't congest existing diamond lanes. There are only about 20,000 hybrids on the road in California, compared with 29 million other vehicles, and over the next 15 years hybrids will make up, at most, 2% of the state's total vehicle traffic, according to former Caltrans Director Jeff Morales.

Changing the rules requires federal approval. U.S. Secretary of Transportation Norman Mineta should grant California authority to give residents this extra incentive, along with a three-year "sunset provision" - if diamond lanes become congested (a problem to welcome) the policy could be terminated.

Opening diamond lanes to hybrids obviously is not the only way to get cleaner cars on the road. But it is one way to reduce air pollution and cut our reliance on foreign oil without government mandates. All it takes is a small reward for an intelligent choice. And what better reward could there be than a diamond?

Laurie David is a trustee of the Natural Resources Defense Council. Al Meyerhoff, formerly director of the council's public health program, is a lawyer in Los Angeles.

Wednesday, February 18, Fresno Bee editorial

Quigley, Ashburn for Congress

Candidates are the better choices for Democratic, Republican voters in the 20th District primary.

The question that Democratic voters in the 20th Congressional District must weigh is which candidate on the March 2 ballot can most effectively follow Rep. Cal Dooley, who has served this region well by skillfully building moderate coalitions in the Republican-controlled House of Representatives.

With Dooley stepping down, we believe Lisa Quigley, the Fresno Democrat's former chief of staff, is best positioned to continue his work in the district, which includes all of Kings County and parts of Fresno and Kern counties. We recommend Quigley's candidacy in the Democratic primary election.

Quigley led Dooley's staff for 12 years until resigning from her post last September to seek the 20th District seat. Quigley is a political centrist who has shown that she can work with Republicans. That's crucial to getting anything done in Washington, D.C.

She has excellent political sense and knows how to put together voting blocs that get results. Quigley was instrumental in coordinating the activities of the New Democrat Coalition, an influential group of moderate House Democrats that Dooley helped establish.

Quigley, who grew up in Merced, understands the Valley's problems and issues, as well as knowing her way around Capitol Hill. When Quigley went to work for Dooley, she was the youngest chief of staff on Capitol Hill, but quickly earned a reputation as a hard-working and effective staff person. Fortunately for Democratic voters in the 20th District, they will be choosing between two exceptionally well-qualified candidates in the primary election on March 2. We have long supported Quigley's opponent, former state Sen. Jim Costa, a 24-year veteran of the California Legislature. Costa brings great strength and experience to the congressional campaign.

But Quigley's campaign is about the future and her effort is not geared to appeal only to agriculture, which is the dominant industry in the Valley. Quigley has raised the profile of other crucial issues in this high-poverty district, including education, child care and access to health care.

Most important, Quigley understands the damage that decades of neglecting our air quality has done to the health of Valley residents. She is committed to improving the air we all breathe, and will not be making excuses for the various groups that have an interest in blocking efforts to improve our air quality.

With the economic rebound still not reaching all of the Valley's residents, this is crucial time for those living in this largely minority district. It's the fourth-poorest congressional district in the

country, with Latinos making up 63% of its residents. There aren't enough jobs and enough opportunities for Valley residents.

Quigley is taking a chance by not emphasizing agriculture in her campaign and offering a more balanced approach to the challenges in the 20th District. But she seems to have struck a chord in her quest by speaking to issues and problems of those living in this Valley district.

We believe that she has demonstrated extraordinary leadership on these questions and is best qualified to represent the interests of 20th District Democrats.

In the Republican primary in the 20th District, state Sen. Roy Ashburn of Bakersfield is the best equipped of the candidates running to represent GOP voters. We recommend Ashburn's candidacy in the Republican contest in the 20th.