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## Progress in California on curbing emissions

By Daniel Wood

One year after California vowed to cut industrial and auto greenhouse-gas emissions 25 percent by 2020 to combat global warming, the state is groping its way toward answers about how exactly it will attain that goal - and who will bear the costs. Along the way, resistant officials have resigned or been fired, businesses and manufacturers have griped, and consumer groups have complained that oil companies aren't doing enough to pony up. But as other states and other nations watch, California is clearing major hurdles - including passage last month of a bill allocating \$125 million a year to develop alternative transportation fuels and vehicles and another \$80 million a year to improve air quality.

Environmental activists, in particular, are satisfied with the state's efforts thus far.

"California is off to a great start," says Roland Hwang, vehicle policy director of the National Resources Defense Council (NRDC) in California.

The recent funding to begin implementing the greenhouse-gas cuts takes the emissions-cutting plan from

drawing board to reality, he says, and "shows that several big pieces are being put into place."

Even business groups, which a year ago were warning that companies would flee if California pushed ahead with global-warming rules, are engaged in the implementation. Many still worry about what their liabilities and costs will turn out to be, but say they no longer feel as if they are simply dissenting voices on the outside looking in.

"We are in the driver's seat, participating in workshops and influencing how this plays out," says Dorothy Rothrock, vice president of government relations for the California Manufacturers and Technology Association.

"Happy is not the word, but we are ... constructively involved in all the rulemaking developments ... and that's good."

Outside California, ripples from its actions reach far and wide, observers say. Governors of Washington, Oregon, Arizona, Utah, and New Mexico and the Canadian provinces of British Columbia and Manitoba in

February partnered with Gov. Arnold Schwarzenegger (R) to form the Western Climate Initiative. Their proposal is to cut emissions 15 percent (based on 2005 levels) by 2020.

Twenty other states are devising their own ways to reduce gasoline consumption by use of alternative transportation and fuels.

Hawaii Gov. Linda Lingle (R) signed a greenhouse-gas reduction bill in June, and New Jersey Gov. Jon Corzine (D) has signed legislation calling for reducing greenhouse-gas emissions to 1990 levels by 2020, about a 20 percent cut.

Still, a major piece of California's plan to curb such emissions is contingent on action in the nation's capital. The state is waiting to hear whether the Environmental Protection Agency will allow it to require automakers to achieve fuel-efficiency standards for new-model vehicles sold in California that are higher than current federal standards. Named after Assemblywoman Fran Pavley, who wrote the 2002 bill that resulted in a standard of 43 miles per gallon by 2020, the Pavley Standards have since been adopted by

13 other states.

Collectively, the standards would cut greenhouse-gas emissions by 392 million metric tons by 2020 - the equivalent of taking 74 million cars off the road for one year, experts say. Nationally, nearly 26 percent of US greenhouse-gas emissions come from transportation.

"The administration's decision will either lead the issue of global warming or block us from reaching our goals," says NRDC's Mr. Hwang.

The California initiative has also created international ripples. On Oct. 29, California, New York, New Zealand, Norway, and several European countries and Canadian provinces formed an International Carbon Action Partnership to create a global cap-and-trade carbon market to build demand for low-carbon services and

products.

In September, Governor Schwarzenegger joined more than 80 leaders at a United Nations summit on climate change, leading some to speculate that individual US states will ultimately push the federal government into taking a firmer stand against global warming.

"The governor plays a great role by being a cheerleader for global warming," says Jim Metropulos of the Sierra Club. "He's a Republican in the biggest state, and to say that ... we are going to do what we need to do to get these goals met has a big impact."

While it's hard to find an environmental group that doesn't like California's plan, some tax and consumer groups are grumbling because they feel that air polluters are not shouldering enough of the cost, leaving consumers with

the burden. Drivers with new vehicles will have to pay a smog-abatement fee of \$20, instead of \$12, for six years. Annual vehicle registration costs will also increase \$3.

But one year into the initiative, some still question whether a 25 percent cut in greenhouse gases 13 years from now will have any benefit.

**"We have one example to compare this to, which is Europe's attempt to cut CO2 since the Kyoto accords in 1997," says Sterling Burnett of the National Center for Policy Analysis in Dallas. "They promised to ... implement all these programs with all this money, [but] their emissions have grown at a faster rate than [in] the US, despite our bigger population growth.... That is ... probably what we will see in California."**