



**Clean Air Performance Professionals**

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# MOTOR

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# MOTOR

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## Challenging Enhanced I/M

States have generally gone along with EPA guidelines for enhanced I/M, drawing up state implementation plans (SIPs) to put test-only stations into operation by the beginning of 1995.

The holdout has been California. The state has a well-established network of test-and-repair stations. It has allowed these stations to raise test fees to the point where they actually make a profit on emissions testing. These businesses will be hurt if they lose emissions testing to state-sponsored centralized test stations.

Their response? Lobby like hell. Smog Check shops, with help from a group called Clean Air Performance Professionals, pressured state politicians to resist the EPA's demand that California implement a test-only enhanced I/M program.

Some of this is clearly self-interest. California is in the midst of a major recession—the defense spending that helped fuel a 50-year economic boom in the state is drying up, real estate prices are softening and the computer industry is scrambling. So you can hardly blame smog shops for wanting to hold on to a profitable business.

But the rebels also raise some serious questions as to whether a new, more complex I/M program will work significantly better than the existing one.

EPA studies show that decentralized systems, such as the one in California, produce only about half the emissions reductions of centralized, test-only programs. But a recent Rand Corp. study concluded that there was no evidence that a centralized I/M system would work better than the current one.

A political showdown seemed certain when the EPA threatened to withhold up to \$700 million a year in federal highway funds if the California legislature didn't pass an acceptable I/M program before it adjourned Sept. 10.

Cooler heads prevailed—for now. The legislature took no action for or against enhanced I/M. The EPA agreed to hold off on sanctions until after Jan. 1, 1994, giving the legislature time to craft an acceptable program and pass it when they reconvene for the new year.

The EPA retreat was potentially a brilliant move. The delay means that other states will have their SIPs filed and their enhanced I/M programs in the works before the California legislature reconvenes. That way, even if California maneuvers the EPA into allowing the state to continue a test-and-repair system, the revolt won't spread. The rest of the states will be well on their way to implementing the test-only programs the EPA really wants.—T.W.

A random 'Smog Check' inspection & repair 'secret shopper' audit, ethanol cap and elimination of dual fuel CAFE credit can cut California car impact over 50% in 2010. (Prevent Over 2000 tons per day of sulfur, PM, HC, O3, NOx, CO & CO2.) Improved performance of AB32 at reduced cost. (support H.R. 1207)

"We know other states are hoping that California is going to browbeat EPA into letting them off scot-free," he said, "but from our perspective, that's not going to happen. There are people who are absolutely hoping the centralized programs are repealed by each state after California, but that's a fruitless hope. They can hope all they want, because the reality is that California is going to be doing a test-only I/M program, just like everybody else, in the end. And the I/M 240 test, that's going to be a part of it."

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## EPA says centralized emissions inspection program still on schedule

### *FuelLine, April 1994*

Congress likes to tell people what to do, and when. As to "how," that's usually up to un-elected bureaucrats. Which is a main reason ... consequential issues like, for example the formulation on new vehicle emissions programs, can remain so foggy for such long periods of time..

Case in point: Through the Clean Air Act of 1990, the federal lawmakers mandated that vehicular emissions must be reduced. The exact declines to achieve the desired reductions, however, weren't so explicitly spelled out. Congress handed the ball to the U.S. Environmental Protection Agency, which then devised a package of regulations that, in essence, decrees that the states must begin doing a much better job of detecting smoggy autos and keep them off the roads. The best way to ensure that mandate is met. EPA officials then pretty much completely overhaul the vehicle inspection and maintenance (I/M) programs run by various states.

#### **EPA: 'Same-site test/repair doomed'**

EPA quickly asserted that I/M programs which allow vehicle testing and vehicle repair at the same site are doomed to inaccuracy and fraud, and therefore, doomed. The testing setup in place in California, which has been copied by regulators in several other states, is a good example of a flawed program, according to EPA. "I basically view the California program and others like it as a consumer ripoff," said Gene Tierney, chief on EPA's Inspection and

Maintenance, and the individual generally identified as the agency's guru. It hasn't achieved the quality objective, and it forces people to go into the garages and spend money on a test that isn't very effective."

Consumer research has confirmed EPA's suspicions about the incidence of consumer fraud and general mistrust American motorists have for so-called decentralized inspection programs, which, like the California plan, allow independent garages to both test and repair vehicles according to Tierney.

"The man on the street impulse is that it's a rip-off," he said. "Go to any state that has a decentralized safety inspection program, and everybody will tell you all about being asked to buy new windshield wipers, new tires, get headlight alignments and all sorts of stuff they don't need. You simply can't have testing and repair at the same site. And we've seen surveys that show the overwhelming percentage of Americans don't like that system, don't like being forced to be tested by people who also fix cars. That's a conflict-of-interest situation, and people just don't like getting pinched."

The results of one such survey, which portended to show just how opposed Californians were to their decentralized testing program, were promoted by the American Lung Association in that state. However, proponents of California's current I/M setup quickly claimed that those findings were incurably tainted, alleging the pro-

health group was merely a front for the research effort. The real sponsor of the survey, claimed the conspiracy theorists, was the Washington based Coalition for Safer, Cleaner Vehicles. That group has long been accused by independent repair shops of being a mouthpiece for large corporations, including computer equipment analyzers, who are hoping to get a bigger piece of the I/M pie.

Gary Huggins, CSCV's executive vice president, vehemently denied his organization was in any way behind the California survey.

"We didn't give any money to the American Lung Association," Huggins said. "We've never given money to anybody. We don't know anyone at the Lung Association."

Regardless of how consumers truly feel about present testing programs, EPA designed a prototype testing scheme that it says will reduce both vehicular pollution and consumer fraud. Beginning next year, several states are tentatively scheduled to start fazing in the so-called I/M 240 testing methodology conceived by EPA engineers.

As currently drawn up, the I/M 240 program (which takes its name from the amount of time a tested vehicle will stay on a treadmill while its emissions are analyzed by computer: four minutes, of 240 seconds) will not have independent repair shops as participants.

That aspect, not surprisingly, outraged owners of shops currently participating in I/M programs. The most vocal opposition to the advent of the enhanced smog check schemes came from California. And the most vocal Californian is Charlie Peters, owner of a repair shop in Loma Linda.

### **Opponent: 'No centralized system!'**

"The centralized I/M 240 program absolutely will not work, and we will absolutely not allow it here in California," said Peters, who founded a group called Clean Air Performance Professionals (CAPP) specifically to lobby against the fed's centralized approach. "That test won't do anything to clean up the air. It's poorly conceived."

Tierney fumed when asked to respond to allegations by Peters and others that the treadmill test used in I/M 240 programs doesn't give a "real world" view of an automobile's performance level.

"Treadmill testing has been used in I/M programs for more than a decade," he said. "So people who say it's not a real world test don't know what the real world looks like. This isn't difficult to do, and several states have been doing it for more than a decade. We wouldn't have signed off on this test if we didn't think it was a real-world test."

After giving that rebuttal, the EPA official admitted being a bit tired of being asked to counter cavalcade of critics that the I/M programs promulgated by his agency have met with. He seemed particularly tired of Peters gripes.

"I've been working on this for 15 years, and I've pretty much heard it all at this point," he said. "There's probably nothing I haven't heard. As for Charlie Peters, I guess he was bored doing repairs on cars, and this issue has given him an interesting diversion. He doesn't agree with EPA much, and he wants to keep a version of the status quo going. The problem with that is it's just not working, not in California."

What did work in California, however, was the lobbying effort Peters and the rest of the anti-I/M 240 crowd launched

*(Retyped from poor quality original)*

last year, the pressure applied on lawmakers in Sacramento resulted in Gov. Wilson signing into law a bill that prevented the institution of a centralized I/M program in the state.

Tierney conceded his agency was taken aback by the California statute's passage.

"The bill that California passed is not an acceptable bill as EPA is concerned," he said.

But, the California move gave independent shops now participating in inspection programs in their states a glimmer of hope that their smog check operations might not be made obsolete anytime soon by federal mandate.

"We, really thought this was a dead issue," said Ralph Bombardier, executive director of the New York State Association of Service Stations and Repair Shops, many of whose members own inspection stations. The centralized tests were thought to be a sure thing. But then, boom! Along comes what California did, which came as a terrific surprise. That opened a crack for us, gave us a chance."

Bombardier told FuelLine that a main reason he is opposed to the I/M 240 mandate is its expense. If that test became the law of the land, he said, only those garages willing to invest "between \$100,000 and \$140,000 in new inspection equipment would be able to participate in I/M programs." We don't think that much money needs to be spent to get a good inspection program," Bombardier said. Our cost estimates are that shop equipment that costs something between \$15,000-\$30,000 can be used to do the job, but that's not for the I/M 240, obviously, that would absolutely eliminate the little guy from ever doing inspections again. Really, anything costing over \$50,000 would mean the average shop couldn't compete, couldn't participate.

Tierney dismissed all complaints about the equipment costs associated with I/M testing as trivial to the big picture, saying it's far more important to emphasize the air will be cleaner and consumer expenses should be reduced if the new inspection process is put into effect.

"The cost of equipment here, how is that relevant?" he said. "Why does that even matter? The thing that matters is how much does it cost to do the entire [I/M] program in this fashion? The most expensive estimate we've gotten is from New York, and that came in at \$21 a car. Other estimates from other states take that down to \$15 a car.

"And remember, that's on a biennial basis we're talking about." He continued. "So, it's going to cost from \$15-\$21 for motorists every two years to get these tests performed on their vehicles, while current average costs in a decentralized I/M program is almost \$19 and that is paid every year. The bottom line is, motorists will see a decrease in their I/M costs, and that's a decrease in their cost, and that's what matters."

Tierney also issued a prediction that the California move won't in any way impede the arrival of centralized I/M programs in that state or other areas of the U.S.

"We know other states are hoping that California is going to browbeat EPA into letting them off scot-free," he said, "but from our perspective, that's not going to happen. There are people who are absolutely hoping the centralized programs are repealed by each state after California, but that's a fruitless hope. They can hope all they want, because the reality is that California is going to be doing a test-only I/M program, just like everybody else, in the end. And the I/M 240 test, that's going to be a part of it."

Bombardier, for one, isn't so convinced that the rebellious action taken by California lawmakers presented merely a minor hurdle for EPA's goal of a national expansion of centralized programs.

"EPA can say that nothing's going to change," he said, "but people all over are starting to rebel, and well, there's a whole lot of electoral votes out there. If I had to predict, I'd probably say that, yes, I/M will eventually go forward. But six months ago, there wasn't any 'probably.' I didn't think there was a chance things would change. Now, I'm not so sure."

**CAPP contact: Charlie Peters**



## ***Clean Air Performance Professionals***

# Smog shops have vested interest in clean air

*By Charlie Peters, San Bernardino Sun, March 1996*

After reading the three part series "Consumer Nightmare?" by Steven Church (March 17 – 19). I find it amazing that more Californians are not aware of what is really happening with the state's Smog Check program.

For the past five years a poor economy has plagued California. The money starved California government and regulatory agencies have found their pot of gold at the end of the rainbow via the Smog Check program.

Financial relief for the poor economy will be generated by contracts such as the smog testing contract signed with the Parsons Co. (via Engineering Science) and Envirotest.

The Environmental Protection Agency's demands for clean air (through the 1990 Clean Air Act amendments) will generate the largest tax increase in history. Behind the effort is Dr. Don Stedman, patent holder of the remote

sensing technology to detect "gross polluters," the state's worst polluting vehicles. Stedman works out of the University of Denver.

A long list of international government and big business interests, led by the federal EPA, have provided funding for Stedman's work.

Pollution credit trading is at the core of this money tree.

Numerous buy back programs project that 50,000 cars a day will be scrapped to meet the state's clean-air standards, generating approximately \$1,000.00 a car. This moves money from small business and the public to government and big business.

Parsons (Engineering Science) is also the referee for Smog Check II, the latest rendition of Smog Check, and Envirotest is the quality auditing service that takes all the information from the

smog testing equipment in California. These two international companies are providing government and big business the opportunity for increased revenue. At the heart of these efforts are monopoly contracts to inspect vehicles on the road and in "state" test stations. Remote sensing studies by California and Arizona are reported to "false fail" more than 50 percent of identified cars. State test stations in Colorado are reported by some to have false-failures in excess of 50 percent.

So the question is: Are clean-air mandates about clean air – or money?

If the goal of scrapping 50,000 vehicles per day is met, the incentives to provide privatized rapid transit may be next. An additional party to this tax increase strategy, some say, will be privatizing roads and charging for parking. This will help with incentives to make privatized rapid transit economically feasible.

Is the American love affair with the automobile at risk because of funding demands of government and big business's desire for profits (and thus its partnership with government)?

These policies are being questioned by an expanding group, including academics from state universities and many groups across the country.

Money and power generated from command and control policies that have possibilities of changing the face of America are a raging debate in many quarters. One voice is demanding that responsible government "manage what it mandates."

Promotion of responsible government to promote competitive market inspection and quality maintenance is getting consideration as an option to the money trading strategy. The Clean Air Performance Professionals has requested a pilot study to change management techniques to improve mechanics' Smog Check performance. CAPP maintains that the study will demonstrate a reduction in mobile emissions in excess of 1 million tons per year. Such a result promotes continuation of America's love affair with the automobile.

The strategy of the proposed pilot study is that government and the private sector can work together toward common goals to provide the public with services that are superior to those provided by government monopoly efforts.

America is making big decisions that affect the very air we breathe. But only private citizens can decide the final direction and results by lobbying for improved performance.

*Peters of Loma Linda is President of Clean Air Performance Professionals. Point of view is an occasional column of commentary by local citizens. Sent opinion to point of view, The Sun, 339 N. D St., San Bernardino, Calif.92401 Or fax it to (909) 885-8741*

*(retyped from original)*

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## **AG Kamala Harris ... Can we have cleaner air & \$2 gas by 2014?**

*Stella Sez, Hemmings Motor News, July 2000 & March 2001*

**(March 2001)** - "Rep. Gary A. Condit (D-Calif.) has introduced legislation, in the opening days of the 107th Congress, to help drive gasoline prices down while protecting the environment. HR 52 seeks to relieve California from federally mandated year-round gasoline oxygenate requirements while preserving the full benefits of California's reformulated gasoline program. Condit introduced the bipartisan legislation with another member of the California delegation, Rep. Chris Cox. 'California already meets Environmental Protection Agency requirements for reducing emissions of toxic air pollutants and ozone-forming compounds,' Condit said. 'When a state meets these requirements, under this legislation, they would not be required to add oxygenates to gasoline'."

<http://clubs.hemmings.com.clubsites/capp/mar01.html>

**(July 2000)** - "Unlike MTBE, little is known about the impacts of ethanol releases into groundwater or the environment. However, because ethanol is the primary ingredient of beverage alcohol, which is classified by the California Proposition 65 Committee and other cancer experts as a human carcinogen, many are concerned about the possibility that ethanol may pose a cancer risk. Additionally, independent researchers have determined that ethanol in groundwater can extend plumes of other more potent gasoline carcinogens (benzene, toluene, etc.) up to 25%. In addition, ethanol is less effective than MTBE at fighting air pollution, and due to transportation and supply problems, will likely increase gasoline prices."

<http://clubs.hemmings.com/capp/july.html>

**CAPP contact: Charlie Peters**

# Paper trail

## Chemical industry documents reveal deceptions

*By Raheem F. Hosseini, Sacramento News & Review, April 12, 2001*

In the wake of recent well-publicized exposés of the chemical industry's reckless endangerment of workers and the public, cover-ups and other dastardly deeds, the Environmental Working Group (EWG) has posted online 50 years and 25,000 pages worth of insider industry documents.

Pried open by lawsuits and regulatory actions, the vast collection of memos, policy papers and directives formed the basis for Bill Moyers' recent PBS documentary *Trade Secrets*, and reports in the *New York Times* and other major newspapers.

The documents reveal, in their own words, how chemical executives knowingly exposed workers and the public to cancer-causing chemicals, polluted whole communities and devoted vast resources to covering up the truth. The searchable archive of documents is available at [www.ewg.org](http://www.ewg.org).

Journalists and concerned citizens can examine the Chemical Industry Archive to see for themselves how the tragedies of Bhopal and Love Canal were treated as public relations problems, how companies hid the truth about cancer and other diseases from their own workers, and how the industry manipulates science and public opinion to protect its profits.

The database is easily searchable by keyword, so typing in the word "Sacramento" offers a peek into the chemical industry's efforts to shape public perception and influence legislation in California as far back as 1966.

That was the year the industry executives formed the Chemical Industry Council (CIC) in Northern California. The 35-year-old report states "the need for CIC was based on the need for improvement in the public image," and that the "CIC appears to be a fine tool" to recruit college graduates into the industry "by exerting stimulating influence on youngsters in high school."

Besides softening the harsh image of the chemical industry, CIC was used, and still is, to employ industry advocacy resources in Sacramento. In 1986, as much as \$6.75 million was spent and as many as 50 contract lobbyists and employees were hired by oil and chemical companies to sway politicians into reducing industry regulations.

Two organizations, the Pacific Legal Foundation (PLF) and the California Council for Environmental and Economic Balance (CCEEB), shown by documents to be founded decades ago to push the chemical industry's agenda, are still active today.

As organizations such as Ralph Nader's Public Citizen Litigation Groups, the Natural Resources Defense Council and the Sierra Club were improving the public's right to know about chemical exposures, "the Pacific Legal Foundation was established in 1973, in Sacramento, California, to counteract the activities of the above groups by supporting the free market system and traditional concepts of personal property and competition," read a Manufacturing Chemists Association memo.

Harold Johnson, an attorney for the PLF, denied claims that their organization is in the pocket of the chemical industry, saying they represent small landowners and individuals "who think they are aggrieved by government, by an arbitrary or unconstitutional government."

Another industry document discusses the formation and funding of CCEEB to combat proposed legislation and ballot measures designed to stiffen toxics regulations and penalties. In this regard, it used its own experts to compile a softer list of hazardous materials to present to lawmakers, provided a critique of California regulations, and conducted a public opinion poll to improve industry messages.

A CCEEB representative who would identify herself to the SN&R only as Cindy said, "We are not a front group for the chemical industry," noting that its board includes representatives from businesses, labor and the general public. She said her group is well-thought-of by the NRDC and Sierra Club, although sources within these environmental group say the CCEEB is little more than the voice of industry.

The documents that brought all this to light eventually found their way to the public mostly via lawsuits against chemical companies and tire manufacturers for worker deaths and illnesses from exposure to vinyl chloride. Vinyl chloride, one of the building blocks of plastic, causes liver and brain cancer. After dozens of worker deaths, and over the chemical industry's objections that it would go out of business, the U.S. government finally established a strict standard for vinyl chloride exposure in 1976.

In a letter to the California Air Resources Board (ARB) in 1989, the Vinyl Institute challenged the ARB's findings on the dangers of vinyl chloride, even suggesting that some other variable is responsible for vinyl chloride's toxicity. Calling the ARB's results "a dramatic overestimate of likely human risk," the letter goes on to cite other studies in an effort to suggest that humans may be able to endure higher levels of vinyl chloride than the ARB initially decided.

While documenting efforts to influence public policy debate in Sacramento, the archive collection outlines even more serious deceptions and manipulations on the national level.

The denial, cover-up, and disregard for workers and public health revealed in documents from the 1960s and 1970s continue today. Last year, 3M abruptly discontinued Scotchguard, a \$200 million-a-year product. Why would a company suddenly drop one of its most profitable items? The archive reveals that 3M knew since the 1970s that Scotchguard, believed to cause reproductive harm, was contaminating the bloodstreams not only of its workers, but the public and wildlife worldwide.

"These documents could do for the chemical industry's public image what the tobacco papers did to the cigarette companies," said EWG president Ken Cook. "Anyone who reads the documents can tell that chemical companies knew 25 years ago their products were unsafe and that workers were in danger. It's time for Congress to step in and investigate what the industry knows today but isn't telling us."

*AScribe News Service contributed to this report.*

<http://www.newsreview.com/sacramento/paper-trail/content?oid=5366>

**CAPP contact: Charlie Peters**

# Connecticut Auto Emissions Inspections Found Problems That Weren't There

## By WILLIAM YARDLEY, *New York Times*, March 18, 2004

HARTFORD, March 17— The contractor that manages Connecticut auto emissions tests has agreed to reimburse as many as 13,000 car owners who paid for unnecessary repairs after their vehicles were mistakenly found to have failed inspection because of a software flaw.

The company, Agbar Technologies, has also agreed to hire an outside auditor to examine its testing equipment and will pay for a second, state-supervised consultant to conduct a parallel study of the company's testing process. The software, developed by an Agbar subcontractor, SysTech International, in some cases doubled the reading of hydrocarbons emitted from cars' tailpipes.

The problem, confirmed on Friday, was fixed by Monday, according to state and Agbar officials. "I believe this was a computer glitch," the commissioner of the Department of Motor Vehicles, Gary J. DeFilippo, said on Wednesday after meeting with representatives from Agbar, state lawmakers and state environmental officials. "They came to the table and agreed to do what was right."

Agbar will begin notifying car owners within two weeks that they may have received a false reading and could be eligible for reimbursement, said Agbar's executive vice president, Christopher A. Stock.

Mr. Stock said that the company would "err on the side of the motorist" in judging whether a car owner

qualifies for reimbursement. He said the number of cars that mistakenly failed the test could range from 3,000 to 13,000, and Agbar's cost could be more than \$1 million.

Agbar has come under increased criticism from state lawmakers since the flaw was made public this week, in the latest in a series of troubles Agbar has encountered since taking over state emissions testing in October. The company, which is in the process of changing its name to Applus Technologies, was a month late meeting its target for taking over testing, and last month about 700 light trucks were found to have registered mistakenly high emissions readings because of a software problem. Reimbursements have also been offered to those truck owners.

On Tuesday, several state lawmakers called for the suspension of the contract, but after the meeting Wednesday, two leaders of the General Assembly's Transportation Committee said the company should be given another chance.

The leaders, Senator Biagio Ciotto, a Democrat from Wethersfield, and Representative Jacqueline Cocco, a Democrat of Bridgeport, said the state should be cautious before taking any action that could jeopardize an emissions inspection program that helps employ more than 1,100 people in independent inspection and repair shops.

In addition, Mr. Ciotto said, suspending the program could mean reducing the state's compliance with federal clean air laws. Ms. Cocco said

lawmakers would reassess the Agbar contract in 30 days.

Another lawmaker, Senator John McKinney, a Republican from Southport, said another company could step in and manage the emissions program if Agbar is suspended or if the contract is terminated.

Mr. Stock said Agbar spent \$16 million setting up the program in Connecticut, where it receives \$7.50 of each \$20 inspection fee car owners pay. Mr. Stock said Agbar has managed about 319,000 inspections since taking over the program last Oct. 17.

The company does inspections in five other states: Washington, Utah, Georgia, Rhode Island and Massachusetts. In Massachusetts, Agbar has also had trouble with tailpipe readings -- a State Department of Environmental Protections audit found that the tailpipe test equipment failed 39 percent of the time -- though another company designed the equipment Agbar uses there.

The Boston Globe reported that a state audit showed that the equipment had passed some cars that should have been rejected, and rejected some that should have passed.

Connecticut requires emissions inspections every two years on cars made from 1979 to 2001. Cars made before 1996 are inspected by testing tailpipe emissions, while those made later are inspected through the car's computer system.

<http://www.nytimes.com/2004/03/18/nyregion/connecticut-auto-emissions-inspections-found-problems-that-weren-t-there.html?>

## CA Smog Check III?

*Carlyle Group, Booz Allen Hamilton, Envirotec, Remote Sensing, Sunoco, A Plus?*

**CAPP contact: Charlie Peters**

# Money available to clean air and improve smog program

*Charlie Peters, Clean Air Performance Professionals, March 21, 2010*

The Smog Check issue has been under continuous legislative debate since 1993. AB 2289 by Eng is an opportunity to improve program performance and public support.

We at the Clean Air Performance Professionals propose "reasonably available control measures" to improve California Smog Check performance. Consider a Consumer Assistance Program (CAP) quality audit to improve smog check performance.

We propose using the CAP cars and funds to provide a random quality audit (or secret shopper) of smog check providers.

Audits that result in the car's not being in compliance should be handled similarly to the former Consumer Repair and Education Workforce program. The Bureau of Automotive Repair program did not fine the licensees nor did it involve coercion. But when the question of "what would you like to do?" was asked, the shop took care of business and usually elected to fix the car.

The average smog check failure repair is about \$ 150.00

state wide. The motorist pays about the same at the average repair station and the CAP station. The average CAP repair is about \$350.00. Many cars are not brought into compliance.

To level the smog check failure repair playing field so more cars meet standards after repair, the whole smog check market should be subject to a CAP random audit.

Around 1985, BAR started a "missing part" audit. In 1991 that program was stopped. The difference was a 300 percent change in result in finding the missing part.

When BAR ran less than one audit per station per year, the result was a change in behavior that started at more than an 80 percent rate, but moved to less than 20 percent rate of noncompliance.

The difference was a 300 percent change in result in finding the missing part. If the CAP audit was addressing the issue of repair compliance rather than just finding a missing part, the results may be the same or a 300 percent improvement in compliance.

With the missing part program, a follow-up audit with increasing demands lift the stations no options but to find the missing part or be removed from the game.

There are huge inconsistencies from Smog Check station to station and with BAR representatives. For BAR to decide a car is not in compliance, rules of Smog Check must be clarified.

Money is available for the CAP program. It can be used for contracted scrap and repairs, or some of the funds can be used to evaluate and support improved performance of licensed small business. The cars and funds are the same, but the results may be credit for 2,000 tons per day in pollution prevention credit in the State Implementation Plan, rather than our current credit of fewer than 400 tons per day.

The governor and state Legislature would get the credit for improved performance. Performance improvements would be accomplished at a cost of less than \$500.00 per ton. And program illusions would be reduced in 1 year.

*Charlie Peters is president of Clean Air Performance Professionals.*

CAPP contact: Charlie Peters

# Cow power helps fill your gas tank

## Pixley Biogas Project gets \$4.68 million grant

*Porterville Recorder, April 26, 2010 10:15 AM*

Cows help you fill your cereal bowl, bake your cake and adorn your pizza. Now right here in Tulare County — cows will help you fill your gas tank.

Calgren Renewable Fuels, the Pixley-based ethanol plant, has been awarded a \$4.68 million matching grant from the California Energy Commission (CEC) to utilize dairy cow gas to make ethanol.

The money will go to construction of a digester used to break down manure to make clean burning biomethane — the green equivalent of natural gas.

“This will mean we can further reduce our carbon footprint in making ethanol,” said Calgren CEO Lyle Schlyer.

Currently the Highway 99 biofuel plant is the only operating ethanol production plant in the state. Ethanol is blended with gasoline at 10 percent in California.

Schlyer says it is increasingly important to produce the motor fuel with fewer carbon emissions. Already, Calgren uses waste heat from a cogeneration plant at the site to reduce natural gas use by 20 percent and the addition of the biogas will cut natural gas usage overall another eight percent in the production process.

The use of feedstocks from the waste stream helps California biofuel producers meet new federal guidelines under the Renewable Fuel Standard. Ethanol produced in Pixley is far “greener” than Midwest corn ethanol in part because the coproduct of production — distiller’s grain — does not consume natural gas through the drying process as is practiced in the Midwest, but is sold to the local dairy industry wet.

With tight market conditions in 2008 and 2009 the CEC said about 86 percent of the state’s ethanol came from fuels made in the Midwest. With four of the five plants in the state idled in 2009 the state lost jobs, tax revenue and other income notes a CEC report.

Schlyer said production margins improved in 2010, allowing many idled plants to restart, but the margins are tough again this spring. He expects them to improve by summer.

He estimates it will take six months to get all the permits to build the digester and pipelines, and that the new unit could be operational in 12 months.

One innovation will be the piping of dairy waste from a dairy farm west of the plant — the wastewater will be

returned to the dairyman, also by pipeline, and used for irrigation.

Another source of material for the digester will be dairy waste from several lagoons that will be tapped for solids and trucked to the site.

Dairies — increasingly under pressure to reduce methane and ammonia emissions to the air — will benefit from the program helping to clear the skies particularly if this demonstration program becomes much larger, as envisioned. One long range concept plan shows 15 miles of pipeline connected to more than score of dairies west of the plant all the way to Highway 43. For that to happen, the economics of making ethanol from waste biomass like manure will have to improve, Schyler said.

“Our hats are off to Calgren for this forward looking project” said fellow California ethanol producer Paul Koehler of Pacific Ethanol — a company just emerging from bankruptcy. Koehler says he expects Pacific Ethanol's two idled plants in the north valley to start up in a matter of months.

Its possible the state will assist in the restarting of idled plants in California with the CEC holding a hearing on a plan to do just that April 29.

It is the state's policy to reduce petroleum use in California by 15 percent below 2003 levels and to reduce greenhouse gases in the state to 1990 levels by 2050. Transportation fuels are the biggest source of greenhouse gases and substituting ethanol — lower in carbon intensity — for petroleum is a big part of the state plan.

Another key CEC objective is to produce at least 20 percent of biofuels used in the state instead of importing them.

The funding for the Pixley project from the Energy Commission was announced April 7 after a statewide competition for some \$21.5 million in budgeted funds to expand the use of biomethane in California. The CEC has some \$100 million it is investing this year to stimulate renewable fuel use.

None of the other three projects in the category that were funded are from the Valley.

<http://www.recorderonline.com/news/fill-45051-tank-help.html>

***California Department of Motor Vehicles (DMV) flushes the motorist wallet using the water to grow GMO fuel to export the profits. It is for the children, ... which children? It is ok because the fed EPA mandates ethanol and fines us for using what they mandate.***

***Should Governor Pat Brown veto the AB 8 / SB 11 result?***

***CAPP contact: Charlie Peters***

# Obama biggest recipient of BP cash

*Politico, Capitol News Company, May 5, 2010 5:15pm EDT*

POLITICO (Washington) - While the BP oil geyser pumps millions of gallons of petroleum into the Gulf of Mexico, President Barack Obama and members of Congress may have to answer for the millions in campaign contributions they've taken from the oil and gas giant over the years.

BP and its employees have given more than \$3.5 million to federal candidates over the past 20 years, with the largest chunk of their money going to Obama, according to the Center for Responsive Politics. Donations come from a mix of employees and the company's political action committees - \$2.89 million flowed to campaigns from BP-related PACs and about \$638,000 came from individuals.

On top of that, the oil giant has spent millions each year on lobbying — including \$15.9 million last year alone — as it has tried to influence energy policy.

During his time in the Senate and while running for president, Obama received a total of \$77,051 from the oil giant and is the top recipient of BP PAC and individual money over the past 20 years, according to financial disclosure records.

In Congress, Sen. Mary Landrieu (D-La.), who last week cautioned that the incident should "not be used inappropriately" to halt Obama's push for expansion of offshore drilling, has been one of the biggest beneficiaries of BP's largesse. Her comments created some blowback, with critics complaining that she is too blasé about the impact of the disaster, even though she was among the first lawmakers to call for a federal investigation into the spill.

As the top congressional recipient in the last cycle and one of the top BP cash recipients of the past two decades, Landrieu banked almost \$17,000 from the oil giant in 2008 alone and has lined her war chest with more than \$28,000 in BP cash overall.

"Campaign contributions, from energy companies or from environmental groups, have absolutely no impact on Sen. Landrieu's policy agenda or her response to this unprecedented disaster in the Gulf," said Landrieu spokesman Aaron Saunders. "The senator is proud of the broad coalition she's built since her first day in the Senate to address the energy and environmental challenges in Louisiana and in the nation. This disaster only makes the effort to promote and save Louisiana's coast all that more important."

Several BP executives have given directly to Landrieu's campaign, including current and previous U.S. operation Presidents Lamar McKay and Robert Malone. Other donors include Margaret Hudson, BP's America vice president, and Benjamin Cannon, federal affairs director for the U.S. branch. Donations ranged from \$1,000 to \$2,300 during the past campaign cycle.

Environmentalists complain that Landrieu has played down the impact of oil spills.

"I mean, just the gallons are so minuscule compared to the benefits of U.S. strength and security, the benefits of job creation and energy security," Landrieu said at a hearing last month on offshore drilling. "So while there are risks associated with everything, I think you understand that they are quite, quite minimal."

"They own Mary Landrieu and the rest of the Louisiana delegation," said Greenpeace Research Director Kert Davies. "They have more money, disposable income and a fleet of dispensable lobbyists to beat the band."

Other politicians with ties to coastal states or states with BP refineries have also reaped benefits from the fourth largest company in the world.

The top congressional recipients of BP campaign cash include Republican Rep. Don Young of the oil-intensive Alaska delegation, who has received almost as much as Obama, raking in \$73,300 during his congressional tenure. Also on the list is Sen. George Voinovich (R-Ohio), whose state has a BP refinery in Toledo and who has raked in \$41,400. Sen. John McCain (R-Ariz.) has received \$44,899.

"Make no mistake: BP ranks among the most powerful corporate forces in U.S. politics," said Dave Levinthal, spokesman for the Center for Responsive Politics. "It donates hundreds of thousands of dollars every election cycle through its employees and political action committee and is routinely a seven- or eight-figure federal lobbying powerhouse each year."

In 2008 alone, BP gave \$37,000 to members of the House Energy Committee and \$106,501 to members of the Senate Homeland Security Committee, which deals with security issues facing the nation's oil supply.

BP has also evolved in its corporate giving over the past decade, shifting more money to Democrats. In 2000, the company gave almost 39 percent more to Republicans than to Democrats. But by 2008, Democrats had

nearly pulled even with Republicans on BP donations.

Moreover, the company has nearly tripled the amount of money it has spent on lobbying, from about \$5.7 million in 1999 to \$15.9 million last year, according to lobbying disclosures.

BP has bulked up its K Street team by signing some of the biggest firms in Washington, several of which employ former Hill staffers with deep-seated ties to Louisiana and the Gulf of Mexico coast.

BP representation within lobby shop Alpine Group alone includes lobbyist Bob Brooks, who served as chief of staff to former Rep. Jim McCrery (R-La.), and lobbyist Rebecca Hawes, a longtime counsel for former Sen. John Breaux (D-La.). Jason Schendle worked for Landrieu for nine years, according to lobbying disclosures.

Former Rep. Jim Turner, now a lobbyist for BP with Arnold & Porter, formerly represented the 2nd District of Texas, which includes a large piece of Gulf shoreline. And at DC Legislative and Regulatory Services, BP lobbyist David Marin was formerly the lead Hill staffer for Congress's Select Committee to Investigate the Preparation for and Response to Hurricane Katrina.

"First, they are exceedingly competent. Second, they are. I know the first will help enormously in the next few weeks. I am not so sure about the second," said Republican energy lobbyist Mike McKenna of MWR Strategies, who predicted that Landrieu would quite likely get "very wide latitude" on the oil issue. "That may not be the case with BP, whose record is a bit more spotty."

# *Clean Air Performance Professionals*

Friday November 2, 2012

Thomas Cackette  
Dep. Executive Officer  
California Air Resources Board  
1001 I Street  
Sacramento, California 95814  
(916) 322-2892 / 4743 fax  
tcackette@arb.ca.gov

## **RE: Car test to prevent bad air**

Dear Mr. Cackette,

Many different tests can test for car emissions impact, some are listed below:

Federal test procedure, I/M 240, ASM, Remote sensing, 2 speed Idle, curb Idle tailpipe test, Visual inspection, Functional test, OBD II, You and I can stand on a corner and watch cars stop at a stop sign and select cars that need repairs.

Any One or all of the above tests can evaluate every car in California every day and no change in the air will result.

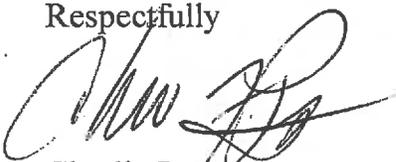
You can collect \$5000.00 cash to repair or scrap cars that do not meet your standards. But who can audit your program to see that cars that fail faults are repaired, cars that are crushed have some remaining useful life.

An audit of the results of your "New Smog Check Program" will have a 50% fail rate of repaired cars 6 months after repair.

So how about improved air for a better price? Is it time for change?

CAPP is an award winning coalition of motorists

Respectfully



Charlie Peters  
Cc: interested parties

**CAPP contact: Charlie Peters**



Clean Air Performance Professionals

Monday, July 15, 2013

***NO*** on \$2,300,000,000.00 car tax

***Is BP, Shell, Sunoco, Valero fuel in your home water supply, will GMO fuel affect the beef?***

***Does GMO fuel vapors increase ozone in your air?***

***Will Mary Nichols, Kamala Harris, and Governor Brown support the UN, Bill Clinton, Gary Condit, Al Gore, Pete Wilson, Gray Davis, Dianne Feinstein, Barbara Boxer and the World Bank (GMO fuel) ethanol waiver?***

***California AB 8 Perea and SB 11 Pavley are urgency bills to tax the motorist \$millions to build Hydrogen stations to fill car tanks to 10,000 psi of hydrogen, absolute insanity—VOTE NO.***

CAPP contact: Charlie Peters

# *Clean Air Performance Professionals*

**Friday, July 26, 2013**

John Chiang  
California State Controller  
P.O. Box 942850  
Sacramento, California 94250-5872  
(916) 445-2636 / 4404 FAX

Clean Air Performance Professionals  
21860 Main Street, Ste A  
Hayward, California 94541

Dear Controller Chiang,

I'm confused, that a graph of ethanol used in our gas and the price we pay for fuel sure paints an interesting picture.

An op-ed from May 1, 2002 warned the Bush legislation requiring ethanol might create a 10% increase in fuel price.

An internet search indicated California fuel ethanol use was very minor and with a pump price of about \$1.37 per gallon of regular CA CARB fuel.

Fed EPA told CARB's board Chair to use 5.6% and the fuel price went up.

More time passed and Mary Nichols crew went for 10% and the price goes up.

We now are at 10% and considering 15% and the price has went from about \$1.37 to about \$4.--

The California Government regulators say we use about 14 billion gallons of fuel per year.

So if the price has changed around \$3.-- in a decade the ethanol laced fuel price increase may be about \$40 Billion per year. Is it time for California to request a waiver from EPA? California may have enough energy supply to last a few years.

Received an e-mail rumor today that the US has energy supply to cover decades.

Should California request a waiver of the ethanol mandate so fuel ethanol is voluntary?

*CAPP contact: Charlie Peters*



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## ***Clean Air Performance Professionals***

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Saturday, August 24, 2013

A random 'Smog Check' inspection & repair 'secret shopper' audit, ethanol waiver and elimination of dual fuel E-85 CAFE credit can cut California car environmental impact over 50% in 2014.

(Prevent Over 2000 tons per day of sulfur, PM, HC, O3, NOx, CO & CO2.)

Improved performance of AB32 at reduced cost.

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***CAPP contact: Charlie Peters***

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# Smog Check revision delayed

***Inland News Today, September 1, 2013***

SACRAMENTO – (INT) – A revision in California's Smog Check program is being delayed.

Tail pipe testing for newer-model vehicles was supposed to end September 1st. But, certifying testing equipment has set-back the change until November.

John Swanton speaks for the State Air Resources Board.

"There will be new evaluations of the stations to make sure we are getting the emission reductions that the program is designed to provide."

A new test will rely on advanced monitoring of on-board diagnostic systems that trigger a 'check engine' light. Those systems are standard equipment on newer vehicles.

Owners of vehicles made prior to 1999 will be referred to the new STAR inspection stations.

Story Date: September 1, 2013

<http://www.inlandnewstoday.com/story.php?s=30248>

***"Comment: ... 'Mr. Charlie Peters, Clean Air Performance Professionals' ... Proposing quality management study by the Bureau of Automotive Repair (BAR) on what is expected of automotive technicians"***

***[California Air Resources Board (CARB):]*** ... "We support the implementation of a credible quality assurance program to protect the integrity of the I/M program. It is our understanding that the BAR has participated in a pilot proactive quality assurance enforcement program called "Partners in Clean Air". This new program is designed to set quality standards for the automotive technicians and the repair industry. Central to the success of this program is the recognition that each smog technician must be empowered and motivated to do reliable vehicle testing and repair. Based on the results of this pilot program which was presented to the I/M Review Committee in March 1995, the BAR may consider the need for your proposed study." ...

***"John D. Dunlop III, Chairman, December 28, 1995"***

***CAPP contact: Charlie Peters***

► Steve Gould part 6 - YouTube

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**From:** charlie peters

**To:** Senator Darrell Steinberg

**Cc:** Senator Ellen Corbett <senator.corbett@sen.ca.gov>

**Subject:** ► Steve Gould part 6 - YouTube

**Date:** Sep 8, 2013 12:54 PM

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<http://www.youtube.com/watch?v=DbPtEnghiC8&NR=1>

Dr. Gould,s opinion of Smog  
Check III, OBD2 only,  
corporate welfare system.

Is it time for a Governor Jerry  
Brown, AG Kamala D. Harris,  
Controller John Chiang, Sierra  
research audit?

CAPP

510-537-1796

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*CAPP contact: Charlie Peters*

# Carb Your Enthusiam Pipemakers battle California

*By John Burns, Cycle World, Monday, September 9, 2013*

Modifying your street motorcycle's intake and exhaust systems has been illegal in most of the U.S. for many years, but that hasn't stopped many of us from doing it anyway. With Senate Bill SB 435 taking effect regarding motorcycles built after January 13, 2013, the California Air Resources Board is in serious crackdown mode. Vance & Hines paid a \$500,000 fine last January for selling parts not approved by CARB. Akrapovic also paid a fine in April.

There's a definite enforcement trend, which has some pipe benders bent. Aftermarket parts don't mount themselves on motorcycles, they argue, people do; some aftermarket manufacturers are now asking if it should be their responsibility when the buyer chooses to ignore the law and use an item clearly sold for off-road or competition use on a streetbike. It's an argument not unlike the one asking if gun manufacturers are responsible for crimes committed by individuals using their products.

CARB seems to think the answer is yes, and has sent letters to several pipe makers in California ordering them to stop selling aftermarket parts for emissions-controlled motorcycles in California or face the bureaucratic wrath. This has some pipe builders concerned for the

future. "First, they go for the low-hanging fruit: painters and plating companies," said one aftermarket principal. "Now it's our turn. The fines go straight back to CARB, and nobody there is elected. It's the ugliest form of bureaucracy."

That's not exactly true, says John Swanton at CARB. He says the agency doesn't like fines either, but has found them to be the only way to effectively enforce the rules. Those fines pass through CARB and onto pollution-control programs not administered by the board, such as mechanic training at community colleges and programs like the Carl Moyer clean diesel equipment incentive, says Swanton.

Tom Trobaugh, the regulatory affairs coordinator at Vance & Hines, tries to take the big-picture view. The crackdown isn't all that new, he says; it's been building since CARB's Tier 2 standard went into effect in 2008, when many more motorcycles began having catalytic converters as standard equipment. CARB is concerned strictly with emissions, not noise (ironic given that everyone seems to think loud Harleys are what led to the crackdown), and wants to ensure that catalysts remain in place. To that end, every aftermarket emissions-related part sold in California now needs an EO (Executive Order) exemption from

CARB to be legal for highway use, which is expensive and time-consuming to obtain. (Official replacement parts for motorcycles that didn't come with a catalyst, or slip-on mufflers that only replace parts downstream from catalyst components, don't require an EO.)

Whether you think CARB is overstepping or not, Trobaugh says, "Vance & Hines wants to do what we can to steer the customer and our dealers toward greater compliance. Sometimes it's just a matter of educating people as to whether a certain bike came with a catalyst or not."

Aftermarket companies shouldn't feel singled out. According to Dealernews, Yamaha paid a \$2 million penalty in December, 2012, for improper importation of off-road vehicles in 2007. Suzuki paid a \$3 million penalty last June, also related to off-road vehicles, and BMW got hit for \$92,000 for selling about two dozen streetbikes that hadn't yet been approved.

For now, CARB has made its point, but the battle will doubtless continue. CARB has zero jurisdiction outside of California, where there is no shortage of aftermarket parts distributors—and very little stomach in recent years for new regulations.

<http://www.cycleworld.com/2013/09/09/responsibility-of-illegal-aftermarket-motorcycle-parts-use/>

***A random Smog Check 'secret shopper' audit, ethanol waiver, & EorM-85 CAFE credit end, will cut fleet toxic impact 50% in 2014***

***California AB 8 Perea and SB 11 Pavley are urgency bills to tax the motorist \$millions to build Hydrogen stations to fill car tanks to 10,000 psi of Hydrogen, absolute insanity--VOTE NO.***

***CAPP contact: Charlie Peters***

## **Bikers denied no-stop permit for 9/11 rally through D.C. but will ride anyway** *By Jessica Chasmar, The Washington Times, September 9, 2013*

The nation's capital has denied a "no stop" permit for the "2 Million Bikers to DC" rally on Wednesday, meant to "remember those who were killed on 9/11 and honor our armed forces."

The group said in a statement Sunday that D.C. officials denied their request for a special nonstop ride through town with a waiver for red lights, stop signs and other traffic signals.

"What could have been a one or two hour ride through will now likely be an all day event," the group said.

Denial of the permit sparked outrage on the biker group's website because the District of Columbia reportedly has granted the American Muslim Political Action Committee a permit for the Million Americans Against Fear rally, formerly known as the Million Muslim March, for Wednesday on the National Mall, the PAC announced Saturday.

BizPac Review points out that the Muslim advocacy group also announced it had received a commitment from Rep. Emanuel Cleaver, Missouri Democrat, to speak at the event.

The 2 Million Bikers to DC group offered an apology to D.C. residents, who will undoubtedly be disturbed by the noise.

"We did the right thing and went through the proper channels to secure a no-stop permit to ride through your great city," the groups said Sunday. "We wanted to ride an established route, which would have taken us past the Viet Nam Memorial to the Lincoln Memorial, across the bridge into Virginia, and that's it! We would have been completely out of Washington DC, and your city would have been back to normal."

The bikers plan to meet at the Harley Davidson in Fort Washington, Md., on Wednesday morning, where they will have opening ceremonies, blessings, the Pledge of Allegiance and a handful of speakers. The final route has not yet been announced "for security purposes," the group said.

"[O]n September 11th, we ride as one!!" the group said. "We ride to pay tribute and offer respect to those that lost their lives on that day 12 years ago, and to salute our troops engaged in the War on Terror. Riders!...we are the best of the best in America!! Our love for these people and this country is staggering, and we will make a display of Patriotism and solidarity America won't soon forget!!"

At the time of this report, the Million American March Against Fear (MAMAF) had garnered 141 "likes" on Facebook, and the 2 Million Bikers to DC had gained 56,284.

<http://www.washingtontimes.com/multimedia/image/20120905-221119-pic-922303926jpg/>

***Is it time for CA AG Kamala Harris EPA Ethanol fuel waiver conversation?***

***CAPP contact: Charlie Peters***

# Valero Asks Obama Administration to Waive Ethanol Mandate

*By Mario Parker, Bloomberg, Sep 10, 2013 1:26 PM PT*

Valero Energy Corp. (VLO), the world's largest independent refining company, called on the Obama administration to waive the country's biofuel target immediately, saying the cost to reach it has skyrocketed.

"We need the waiver now," Valero Chief Executive Officer Bill Klesse, said in a letter to Environmental Protection Agency Administrator Gina McCarthy, dated yesterday. Valero is also the third-largest U.S. ethanol producer, after Archer-Daniels-Midland Co. (ADM) and Poet LLC.

Refiners are required by law to use 13.8 billion gallons of ethanol in 2013. Renewable Identification Numbers are attached to each gallon of ethanol to track compliance. Once the additive is blended into gasoline, refiners can retain the certificate to show compliance or trade it to another party. RINs prices have risen more than eight-fold so far this year.

RINs have increased because of falling gasoline demand and higher biofuel consumption targets, Klesse said in the letter.

Gasoline demand will drop 0.5 percent next year, according to a forecast today

from the Energy Information Administration, the Energy Department's statistical arm. The Renewable Fuels Standard, set in 2007, calls for 14.4 billion gallons of ethanol to be used in 2014, up 4.3 percent from this year. The target increased 4.5 percent this year from 13.2 billion in 2012.

"You have the flexibility to waiver volumes which will lower the price of RINs now, will lower the cost to the consumer and make the marketplace fair," Klesse said.

## RINs Prices

Corn-based ethanol RINs slipped 1 cent to 67 cents today, compared to 7 cents in January, data compiled by Bloomberg show.

Advanced RINs, which cover biodiesel and Brazilian sugarcane-based ethanol, slipped 2 cents to 74 cents. That's up from 37 cents in January.

Ethanol is typically blended in a formula of as much as 10 percent in gasoline. While the EPA has approved blends of 15 percent, refiners haven't adopted the higher concentration, citing engine damage concerns.

*To contact the reporter on this story: Mario Parker in Chicago at [mparker22@bloomberg.net](mailto:mparker22@bloomberg.net)*

*To contact the editor responsible for this story: Dan Stets at [dstets@bloomberg.net](mailto:dstets@bloomberg.net)*

<http://www.bloomberg.com/news/2013-09-10/valero-asks-obama-administration-to-waive-ethanol-mandate.html>

***Is it time for CA AG Kamala Harris EPA Ethanol fuel waiver conversation?***

**CAPP contact: Charlie Peters**

# CA Ethanol and Power Project approved by Board of Supervisors

*By Kkrista Daly, Imperial Valley Press, September 10, 2013 11:18 pm*

The California Ethanol and Power Project is moving forward with its plan to generate clean fuel from sugar cane and sweet sorghum.

Imperial County Board of Supervisors approved seven resolutions Tuesday dealing with water, zoning, permitting and other major issues concerning the project.

"I think it's dynamic. I fully support this," said Supervisor Mike Kelley after Tuesday's presentation on the project. Kelley explained that the area is an industrial park with no projects there.

"It's the first foot in the door ... that will be the stepping stone" to getting other projects to come into the area, Kelley said.

It will be located in the Mesquite Lakes Specific Planning Area also known as the Keystone Planning Area.

"We want to push heavy industrial projects here," said Planning and Development Services Director Armando Villa. "This is a prime example of what could happen up there."

The idea is to build a 66 million-gallon per year fuel-grade ethanol facility along with biomethane and electricity components on 160 acres at the Keystone Planning Area, CA Ethanol and Power Chief Executive Officer David Rubenstein said during his presentation to the board. The project will utilize 74,000 acres total for sugar cane and sweet sorghum, which will be converted into ethanol.

There will be almost zero waste with the project overall, making it "almost 99 percent

green," said Villa.

"This is the first time we'll be able to harvest produce and use it locally," he said.

For example, the electricity generated from the project could potentially be sold to the IID, and the ethanol from the crops could potentially be sold to gasoline companies in the area.

There is no guarantee the resources will be utilized in the Imperial Valley, but that is the goal.

"We knew the project had a lot of positive elements to it," Villa said.

One of the major positives is the number of jobs the project will generate. During the construction phase, 800 jobs will be created. An estimated 400 permanent jobs will be created after the operations begin, Rubenstein said.

"We in the county make decisions with the effort to create more jobs," Villa said. He added that the jobs are not low wage, and will require highly skilled workers.

With the board's approval, the CA Ethanol and Power Project can move onto its next steps. One step is to hire engineers and designers to make construction plans, and another is to finalize financing.

Uni-Systems Do Brazil is investing \$669 million in financing to get the project off the ground, Rubenstein said. The company is a recognized global supplier of sugar cane processing-related advanced technologies.

*Staff Writer Krista Daly can be reached at 760-337-3445 or [kdaly@ivpressonline.com](mailto:kdaly@ivpressonline.com)*

<http://www.komonews.com/news/local/Debate-continues-over-whether-to-label-genetically-engineered-food-223387941.html?>

**California Department of Motor Vehicles (DMV) flushes the motorist wallet using the water to grow GMO fuel to export the profits. It is ok because the fed EPA mandates ethanol and fines us for using what they mandate.**

**CAPP contact: Charlie Peters**

# Major Clean Transportation Bill Ready for Gov's Signature

## *by Michael Bates, NGT News, 13 September 2013*

Critical legislation that supports California's alternative fuel vehicle, advanced transportation and clean air initiatives has passed in both chambers of the California Legislature, positioning the bill for consideration by Gov. Jerry Brown.

Central to AB 8 is an extension of the state's clean transportation incentive programs through 2023. Funding in excess of \$2 billion - paid for by specific fees and not money from the state's general fund - accompanies the legislation.

"The bill shows that California is really serious about the transportation sector," John Boesel, president and CEO of CALSTART, tells NGT News. "The beauty is that it supports a wide array of fuels and technologies. It doesn't pick any single winner."

The legislation, which cleared its last hurdle on the way to the governor's desk with a two-thirds majority passage from the Assembly on Tuesday, brings together a few different programs that Boesel says have had a "tremendous impact" on California's air quality and burgeoning alternative fuels sector.

For example, AB 8 includes an extension of AB 118, which was originally signed by Gov. Arnold Schwarzenegger in 2007 and comprises three programs: the Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP), the Air Quality Improvement Program (AQIP), and the Enhanced Fleet Modernization Program (EFMP).

Over the past several years, these three programs have helped put thousands of alt-fuel vehicles onto California roads, as well as supported various refueling infrastructure projects - natural gas, biofuels, hydrogen and others. Like the ARFVTP, AQIP's Clean Vehicle Rebate Project (CVRP) and Hybrid and Zero Emissions Truck and Bus Voucher Incentive Program have been key mechanisms for driving alternative fuels in transportation applications.

Other initiatives that fall under AB 8 are the Carl Moyer and AB 923 programs, which are aimed squarely at reducing diesel emissions. In short, the measures contained in the Moyer/AB 923 programs provide incentives for fleets to retire old, dirty diesels and replace them with new, advanced - and vastly cleaner - technologies.

Although almost 50,000 engines have been replaced or retrofitted through Moyer/AB 923 in the last 15 years, "There's more work to be done there," Boesel says.

The governor has 30 days to act on AB 8, one way or another. The prospects for the legislation gaining Brown's signature are good.

"Based on statements made by his staff, we're optimistic," Boesel notes. He and CALSTART have worked with state lawmakers on AB 8 over the past year, and legislators have sent "positive signals" throughout the process.

Stay tuned.

[http://www.ngtnews.com/e107\\_plugins/content/content.php?content.9100#.UjLNH7wyEoY](http://www.ngtnews.com/e107_plugins/content/content.php?content.9100#.UjLNH7wyEoY)

***California motorist wallet flushing for corporate welfare, \$2.3 billion car tax. Clean Air Performance Professionals (CAPP) supports a VETO referral to a ballot vote.***

***CAPP contact: Charlie Peters***

# California Assemblymember Kristin Olsen's Resolution To Curb Federal Corn-Based Ethanol Mandate Passes Unanimously By Legislature

*Sierra Sun Times, 14 September 2013 04:19*

September 13, 2013 -

SACRAMENTO—

Assemblymember Kristin Olsen's (R-Riverbank) Assembly Joint Resolution (AJR) 21 urging Congress to eliminate mandates on the amount of corn-based ethanol used in gasoline passed out of both houses unanimously and will now be shared with Congress.

The price of corn has increased dramatically as a result of the federal mandate to use corn ethanol to meet Renewable Fuels Standards, negatively impacting our nation's dairies and livestock farmers by diverting corn to fuel supplies instead of feed.

"California leads the nation in milk production and dairy cows primarily depend on corn as feed," said Olsen. "Diverting feed stocks to fuel has diminished corn supplies for livestock and food

producers, resulting in higher corn prices. These higher prices have contributed to hundreds of California dairies going out of business and have increased costs on consumers through increased food prices in grocery stores and restaurants."

"Feeding our livestock and our people should take precedence over creating alternative fuels that have proven to be less energy efficient than gasoline," she said. "The actions in this resolution will help prevent further job loss and help our entire state's economy."

AJR 21 provides a clear message to Congress that California lawmakers are in support of eliminating corn-based ethanol requirements, capping the amount of ethanol that can be blended into conventional gasoline, and urging the EPA to transition away

from biofuel sources that compete with food production.

The RFS mandates that 36 billion gallons of renewable fuels be part of our nation's fuel supply by 2022. Almost this entire mandate is currently being fulfilled by the use of corn ethanol. In 2011, five billion bushels of corn supply was used for ethanol—equal to nearly 40 percent of the U.S. corn crop. This is extremely detrimental to our farmers here in California.

"The poultry industry is grateful that our legislature understands the significance of this resolution," said California Poultry Federation President Bill Mattos. "Using corn for fuel has never made any sense, economically or environmentally, and we appreciate the Legislature's support for Assemblymember Olsen's resolution."

<http://goldrush.com/sierrasonline/index.php/news/meriposa-daily-news/2013/09-september/3999-california-assemblymember-kristin-olsen-resolution-to-curb-federal-corn-based-ethanol-mandate-passes-unanimously-by-legislature>

*1992 fuel price about \$1.40 per gallon.*

*Ethanol push from fed EPA and friends pushed ethanol to 5.6% and we paid more for our fuel.*

*Fed EPA and Big oil refiners pushed the oxygenate to 10% and we paid more.*

*Now BP GMO fuel is pushing for over \$1.00 in corporate welfare with 15% of the fuel market while cutting back Oil and refining.*

*Will BP GMO fuel patents generate credit trade income from the Big oil industry with the Queen Mother help.*

*The Queen banker friends may want a share.*

*So, how big does California ethanol bill need to be to qualify for the EPA waiver?*

***California Department of Motor Vehicles (DMV) flushes the motorist wallet using the water to grow GMO fuel to export the profits. It is ok because the fed EPA mandates ethanol and fines us for using what they mandate.***

***Should Governor Pat Brown veto the AB 8 / SB 11 result?***

***CAPP contact: Charlie Peters***

## **Regulators eye Wall Street's role in ethanol credits**

***By Ben Geman, The HILL, September 15, 2013***

The federal Commodity Futures Trading Commission may expand its look into the role of big Wall Street players in the market for ethanol credits, which soared in price this year, according to a published report.

“Scott Mixon, the acting chief economist of the Commodity Futures Trading Commission, said in an interview Friday that the issue of banks’ involvement in this market was something the agency was tracking and might look into more deeply because of the ethanol component,” The New York Times reports.

That tidbit is just one part of the Times in-depth, 3,200-word story about the market for ethanol credits, a tool the federal government created to help refiners comply with biofuel blending mandates.

“The market in ethanol credits is exactly the kind Wall Street loves: opaque, lightly regulated and potentially very lucrative,” the story states.

The market has grown and attracted interest from big bank like Morgan Stanley, JPMorgan Chase and Barclays, the Times reports. Check out the whole story here.

<http://thehill.com/blogs/e2-wire/e2-wire/322293-report-regulators-eye-wall-streets-role-in-ethanol-credits>

***GMO fuel, AB 8 Pavley, \$2.3 billion "Wallet Flushing" car tax***

***Audit the BP (Rothschild) Federal Reserve?***

***Is it time for CA AG Kamala Harris EPA Ethanol fuel waiver conversation?***

***CAPP contact: Charlie Peters***

# California Consumers Should Get Entire Electric Settlement

## By Tom Elias / Mirror Columnist, Sep. 15, 2013, 8:12 am

For the 47th time in the last 10 years, an out-of-state electricity generating company has just agreed to repay big bucks to Californians for overcharges during the power crunch of the early 2000s.

The question now is whether consumers will see much of the \$750 million British Columbia Hydro and its Powerex division agreed to cough up.

Despite newspaper headlines and television news teasers saying customers of Pacific Gas & Electric, Southern California Edison and San Diego Gas & Electric will get significant credits on their electric bills, that is not certain.

"Our press release was deliberately vague about who actually will get the money because that will still have to be decided by the state Public Utilities Commission," said a spokesman for Attorney General Kamala Harris, who negotiated the latest settlement.

A look at what happened with past settlements (in all, 60 out-of-state companies bilked Californians out of more than \$10 billion during the crisis of 2000-2001) shows why there's plenty of reason for uncertainty about who will get the \$273 million in cash BC Hydro will pay and the \$477 million in credits it will issue.

During the first five years of restitutions, more than \$6 billion was recovered from Texas- and

Oklahoma-based companies like Enron, Reliant Energy, Mirant Energy and the Williams Cos., but almost none of that money found its way to this state's 12 million-plus electric customers, business and residential.

Rather, those settlements took the form of renegotiated long-term power contracts or cancellation of past debts owed to the generators by Edison, PG&E and SDG&E. When then-Attorney General Bill Lockyer and the Federal Energy Regulatory Commission boasted that the settlements might lower future power rates, it came as cold comfort to customers still paying the bumped-up prices. Rates here are still higher than in all but seven other states, so it's hard for consumers to see any benefit from the early big-money repayments.

Smaller settlements followed, with pretty much the same pattern – most of the money has been used for almost anything but repaying the victimized people and businesses.

A classic example was last year's \$120 million settlement from NRG Energy Inc. for the part it and the bankrupt former generator Dynegy played in the power crunch. To be paid over four years, that agreement sees NRG (which seven years ago bought Dynegy's interest in two California power plants) spending 80 percent of the money on a network of electric-car charging stations along major highways and in the state's biggest cities.

Consumers, then, are getting pennies back on the many dollars Dynegy stole from them, while NRG ends up owning a chain of charging stations for the convenience of people who can afford to buy electric cars – most costing far more than the average vehicle. It's a classic way of taking money paid mostly by average folks and using it to convenience a corporation and the wealthy, all clothed in pious environmental rhetoric.

No one has ever explained why that money shouldn't have gone straight back to consumers.

Then, when BP Energy paid an \$18 million settlement, money from the former British Petroleum went into "an account to be designated by the California Department of Water Resources." None of that cash found its way back to the pockets of anyone you know.

Now comes the BC Hydro settlement, the largest in several years. Harris bragged in her press release that it "brings long-awaited compensation to California ratepayers for Powerex's conduct."

But it remains to be seen whether customers will see even a few pennies of compensation. Considering the sorry record of the utilities commission in passing out money from previous settlements, it would not be wise to bet on consumers getting much, if any, of this new cash and credit, when simple justice demands they should get it all.

<http://www.smmirror.com/articles/Opinion/California-Consumers-Should-Get-Entire-Electric-Settlement/38407>

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**CAPP contact: Charlie Peters**

# U.S. Navy Secretary Ray Mabus

*Commonwealth Club, Wednesday, September 18, 2013*

The U.S. Department of Defense is the largest single energy consumer in the world and boasts the longest military power. But it comes at a high price, with about \$15 billion spent on fuel each year. Worse still, fuel convoys cost lives – over 3,000 U.S. soldiers or contractors were killed in fuel supply convoys in Iraq and Afghanistan, and Americans are continuing to be killed in the name of oil.

Unlike many corporate executives hung up on the short-term costs of investing in alternative energy, U.S. Secretary of the Navy Ray Mabus is dedicated to them for the long haul. By 2020, he has committed to reducing onshore and maritime use of fossil fuels to 50 percent, and the Navy's Great Green Fleet is fueled in part by alternative energy sources, including nuclear. Transitioning to new propulsion fuels has always met resistance and some members of Congress are trying to derail the switch to low carbon fuels.

Can alternative energies meet the military's massive needs? Will they help the U.S. achieve energy independence and spur commercial markets? Join us for a conversation with Secretary Mabus on the future of fuels and energy security in the age of climate disruption.

Location: SF Club Office

Time: 5:30 p.m. check-in, 6 p.m. program, 7 p.m. networking reception

Cost: General admission: \$20 non-members, \$12 members, \$7 students (with valid ID). Premium (seating in first few rows): \$40 non-members, \$30 members.

Also know: The speakers and audience will be videotaped for future broadcast on the Climate One TV show on KRCB TV 22 on Comcast and DirecTV.

<http://www.commonwealthclub.org/events/2013-09-18/us-navy-secretary-ray-mabus>

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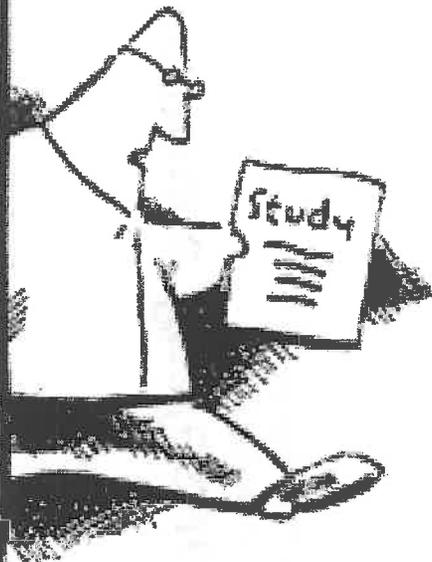
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WAIT!  
IT TURNS OUT BIOFUELS  
MAY BE WORSE FOR  
GLOBAL WARMING!

TOO  
LATE!



TOLLS

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