U. S. Environmental Protection Agency
Blog Round-up
Prepared by the Office of Public Affairs

6/18/2010

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ROUND-UP OF MAJOR BLOGS

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AIR

State samples air, water near Calif. Toxic dump (*Huffington Post*)

KETTLEMAN CITY, Calif. — Grieving parents testified Thursday before state legislators about a rash of infant deaths and birth defects in an impoverished farm town next to the biggest hazardous waste landfill in the West.

Members of the Latino Legislative Caucus organized the hearing in rural Kettleman City to hear the latest from state and federal regulators who are probing what may have caused at least 11 birth defects since 2007.

Residents have blamed the toxic waste dump for the grouping of cleft palates and heart problems, but Waste Management officials have said there is no evidence linking the central California landfill to the deformities.

"How many more children will have to be born with these conditions for them to listen to us?" asked Magdalena Romero, whose daughter, America, died a few months after she was born with a cleft palate and other health problems. "Our children are dying, and we don't know why. For such a small town, it's just too big of a coincidence."

The hearing comes nearly five months after Gov. Arnold Schwarzenegger ordered the California Department of Public Health and the state Environmental Protection Agency to conduct a full investigation, including interviews with residents and reviews of medical records.

Environmental officials on Thursday started taking samples of the air, water and soil and going door-to-door to talk with families to assess community exposure.

The Kettleman Hills Facility is a major employer in the largely Spanish-speaking community of 1,500 people along Interstate 5, the busy artery linking Northern and Southern California. The town is criss-crossed by high-tension power lines; pesticides and chemical fertilizers are routinely sprayed on nearby fields and some local drinking water sources are contaminated.

Company officials won approval to expand the 1,600-acre facility this year from the Kings County Board of Supervisors despite opposition from hundreds of residents, who accused officials of ignoring complaints from those without political clout.

The expansion permit is on hold while state health and state and federal environmental investigations continue.

"We're not here to judge anyone, we're not here to crucify," said Assemblyman Tony Mendoza, D-Norwalk, the caucus' co-chair. "We're here to get to the bottom of this, we're here to get to the truth and I think the families are here for the same reason."

Last month, the U.S. Environmental Protection Agency warned the company to use an independent laboratory to analyze the site's chemical content. It said Waste Management's in-house tests of zinc and cadmium levels were unreliable.

In April, the federal agency cited the facility for violating the law by improperly disposing of PCBs, or polychlorinated biphenyls, which are chemicals banned long ago that are linked to cancer and other health effects.

The company said it has since cleaned up a storage building and the adjacent soil area.

In February, state health officials said they had discovered no common cause for the birth abnormalities and facial defects among children in Kettleman City.

Public health officials have finished interviewing six mothers whose children were born with birth defects and continue to analyze broader survey results, said Kevin Reilly, chief deputy director of the health department.

ENERGY

EPA's New Analysis of Cap and Trade Same Old Faulty Logic (*Heritage*)

Posted By Nicolas Loris On June 17, 2010 @ 8:00 pm In Energy and Environment

The Environmental Protection Agency released its economic analysis [2]of the Kerry-Lieberman cap and trade legislation, the latest cap and trade bill to be released in the Senate. The result was nearly the same as the EPA's analysis of the Waxman-Markey cap and trade bill passed in the House of Representatives last year: postage stamp per day costs. Instead of $176 per household for Waxman-Markey, Kerry-Lieberman would cost households $146 [2]by 2050. Unfortunately for Americans, nothing substantial in the EPA analysis has changed; it is still unreasonable, faulty, and fragile. The reality remains that cap and trade is a substantial energy tax that will cause trillions of dollars in economic damage and kill jobs.

Inappropriate Use of Discounting

Most misleading in the EPA analyses of cap and trade is the use of discounting. A discount rate is an interest rate used to find present value of an amount to be paid or received in the future. In other words, present value analysis answers the question: How much would I have to have today in order to meet my financial obligations or pay certain costs in the future? Discounting is a legitimate tool in finance and for cost-benefit calculations. But discounting can give a much distorted view of costs, as is done by those misrepresenting the EPA analysis. Here's an example to help clarify [3]:

Imagine that a time machine takes analysts back to 1969 — a time when the average price of a new car was about $3,500. Once back in 1969, the exercise is to explain to Congress how much a new car will cost 40 years later in 2009. Having already lived to see 2009, we know the average price for a new car is about $23,000. But telling the Congress of 1969 that in 40 years cars will cost $23,000 would give an exaggerated notion of the cost increase, because inflation alone will have increased prices by a factor of 5.8. If inflation is taken into account, the price of a new car in 2009 is about $4,000 in 1969 dollars. This conveys the most meaningful measure of the cost.

Taking this inflation-adjusted (1969 dollars) $4,000 price of the average new car in 2009 and discounting it in the EPA fashion would generate a present value in 1969 of $562. This is clearly much less than the cost of an average car in 2009, even after adjusting for inflation.

What then is this $562? It is the amount when invested for 40 years, at an interest rate guaranteed to be 5 percent above inflation that would buy the $23,000 car. In other words, if a person in 1969 invested $562 at 9.72 percent interest (5 percent above inflation), letting the entire interest compound and paying no taxes, it would now amount to $23,000, enough to buy a new car.

The same holds true for the EPA's use of discounting. The discounted value is not the amount households will have to pay each year, even with discounting. In the most generous case, the present value is the amount that would have to be paid for one year, right now, if the present value for each of the 40 years were paid in one lump sum right now — that is, if the cost for all 40 years were paid at once. So no matter how it is sliced, there is no sense [3]in which a postage stamp (or even one dollar) per day reflects the annual cost of the cap-and-trade legislation.

Doesn't Fully Measure Costs

The EPA uses household figures and measures consumption changes only. First, a household is not necessarily a family. The average household size is 2.6 people. Adjusting household size to a family-of-four standard adds another 53 percent.

Secondly, consumption changes are typically less than income changes, as families respond to income losses by saving less. When income drops, people prevent consumption from dropping by dipping into savings. In turn, lower savings reduces the ability of families to cope with other shocks and reduces their future income. Further, consumption comes from after-tax dollars, so losses in tax revenue do not show up in data on household consumption. The real economic cost is the loss of income. Change in national income, as measured by gross domestic product (GDP), is a better measure of the overall economic impact of a policy.

In the end, Americans will be much poorer and the economy would be trillions of dollars weaker with climate change legislation in place than without it, as Heritage Foundation analyses of past cap-and-trade bills have shown [4].

Generous Assumptions

The EPA reports that "The APA is estimated to lead to a significant decline in electricity generation from non-CCS fossil fuels — a 23% decrease from 2010 levels by 2030 and an 81% decrease by 2050. This is in stark contrast to the expected steady increase in non-CCS fossil fuel electricity generation without the APA policy – a 22% increase by 2030 and a 56% increase by 2050."

To get there, the EPA includes generous assumptions, specifically on the use of carbon capture and sequestration (CCS), the use of offsets and the increase in nuclear power. With CCS, even after extraordinary technological and economic hurdles have been cleared, there are more political and environmental obstacles to storing 15 supertanker's worth of liquid CO2 every day. The considerable regulatory and legal hurdles to CCS
have been noted by the Congressional Budget Office [5]:

"Similarly, generators would be unlikely to adopt technologies for the capture of CO2 and its sequestration in the ground unless an extensive regulatory structure was put in place to address issues involving property rights, rights-of-way for pipelines, and liability for emissions that escape from the ground."

Anyway, it's no surprise the costs are higher in the EPA's model where CCS is delayed.
The use of offsets is another highly contentious program that is subject to fraud and will produce dubious results. With offsets a coal plant operator can forego cutting CO2 emission and, instead, pay someone else to do so. For instance, a company could

pay a logger not to cut down trees, or they could pay someone to grow trees since trees absorb carbon. Or a developing country can build a cleaner coal plant saying they were going to build a dirtier one while cashing a check from a developed country for the alleged carbon offset. Laurie Williams and Allan Zabel, two lawyers working for the EPA who oversaw California's cap and trade and offsets programs, have serious doubts about the effectiveness of the offset provision. They make a similar case with forest owners [6]:

"[I]f the landowner wasn't planning to cut his forest, he just received a bonus for doing what he would have done anyway. Even if he was planning to cut his forest and doesn't, demand for wood isn't reduced. A different forest will be cut. Either way, there is no net reduction in production of greenhouse gases. The result of this carbon "offset" is not a decrease but an increase — coal burning above the cap at the power plant."

Another sign of problems with domestic and international offsets is that the Kerry-Boxer bill devoted 90 pages to outlining the regulatory structure for certifying and handling offsets.

Furthermore, trying to increase the production of nuclear energy in the United States, without proper regulatory and waste management reform, will stick us with only a handful of reactors—just the ones the government subsidizes through loan guarantees. Although the nuclear title in Kerry-Lieberman is strong on regulatory reform [7], it does little to address waste management and includes a host of subsidies for nuclear. This doesn't get us the nuclear renaissance assumed in the EPA economic analysis.

WATER

EPA moves to tighten water safety regulations (Huffington Post)

June 17, 2010 02:25 PM EST

WASHINGTON — The Environmental Protection Agency is seeking to tighten rules protecting the safety of water in public systems.

A new rule proposed Thursday would call on water suppliers to make repairs whenever testing indicates the possibility of contamination. For example, that could mean when tests detect even harmless microbes, which could suggest a broken water main or other pathway that also might allow dangerous germs into the system.

Currently, water systems are required to do periodic tests and to make repairs if hazardous microbes are discovered.

No effective date has been set for the new rule, which will be open to public comment for 60 days.

Online:

http://www.epa.gov

No Green Stimulus, No Environmental Benefit, Minimal Oil Reduction

Even the most generous scenario in this EPA report shows that costs will be forced on the economy—higher energy prices and lost income. For every year reported, household consumption drops compared to a world without Boxer-Kerry. This is a climate bill and, even according to the EPA, it will reduce economic activity. Spinning this as a job-creating, green stimulus bill is simply untrue. Regardless of whether the lower cost estimates are true, this bill provides negligible environmental benefit. Global temperature reduction from Kerry-Lieberman would be .077 degrees Fahrenheit by 2050 and 0.200 degrees by 2100 [8]. And despite the best attempt for politicians to marry the Gulf oil spill and cap and trade legislation, even the EPA analysis shows cap and trade will do very little to cut petroleum use (page 31 [2]). Yet, after President Obama's speech in the Oval Office, former Vice President Al Gore said [9], "Placing a limit on global warming pollution and accelerating the deployment of clean energy technologies is the only truly effective long-term solution to this crisis." Cap and trade is an effective solution to raise energy prices for years to come and choke our economy, but that's about it.

David Kreutzer, Senior Research Fellow in Energy Economics and Climate Change, co-authored this post.

New HBO documentary exposes gas drilling hazards (*Huffington Post*)

MICHAEL RUBINKAM | June 17, 2010 04:14 PM EST |

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MILANVILLE, Pa. — What do you do when a gas company offers nearly $100,000 for the right to drill on your land?

If you're Josh Fox, you refuse the money – then make an award-winning documentary portraying the natural gas industry as an environmental menace that ruins water, air and lives.

In "Gasland," premiering Monday at 9 p.m. EDT on HBO, Fox presents a frightening scenario in which tens of thousands of drilling rigs take over the landscape, gas companies exploit legal loopholes to inject toxins into the ground and residents living nearby contract severe, unexplained illnesses.

This isn't some dystopian nightmare, Fox says, but the harsh reality in communities from Texas to Colorado to Pennsylvania. "People are feeling completely upended," the 37-year-old filmmaker said in an interview at his woodland home near the Pennsylvania-New York border, where gas companies have been leasing thousands of acres of pristine watershed land in anticipation of a drilling boom.

Fox says the natural gas industry is selling the American public a lie. The industry calls "Gasland" a deeply flawed piece of propaganda.

Whatever the truth, Fox's film arrives at a fraught time. Between the Gulf oil spill and several recent mishaps involving natural gas extraction, the public is focused on energy – and the increasingly complicated ways we are getting it.

Just as the Gulf catastrophe illustrated the hazards of unchecked deep-water oil drilling, so, too, are gas companies failing to make investments that will safeguard the environment when something goes wrong, Fox argues.

Story continues below

"After a while, the gas rig just seemed like a car made in 1890 ... something fundamentally unsafe," he declares in "Gasland." He wonders aloud whether it's better to force gas companies to clean up their act "or just say, 'The hell with it. Can't we build a solar panel instead?'"

Bespectacled, unshaven and the product of "hippie parents," Fox made his name as an avant-garde theater director in New York City. He took an interest in drilling after a gas company approached him in 2008 about leasing his family's wooded 20-acre spread in Milanville, near the Delaware River, where he has lived since childhood.

To Fox, the offer seemed too good to be true.

"That was nearly $100,000 right in my hands," he says in the film. "Could it be that easy?"

Intent on finding out, he casts himself in the role of a "natural gas drilling detective," hopping into his beat-up 1992 Toyota for a cross-country tour of places where large-scale drilling is already under way.

He begins in Dimock, Pa., where an exploding water well revealed methane contamination that has ruined residents' drinking water supplies. He's handed a jar of mysterious yellow-brown liquid and asked to find out what's in it, setting up the film's principal drama.

From there, Fox heads west. He hears the same story in town after town: contaminated water; fouled air; mysterious illnesses; a deceived citizenry; regulators who aren't regulating.

Fox struggles to remain optimistic, but the sheer enormity of it all – a drilling campaign in more than half the states – wears him down.

"I wanted to get out of Gasland as fast as I could, but there was nowhere to go," he says in the film.

"Gasland" has won critical acclaim – including a special jury prize at the Sundance Film Festival – but the industry has challenged its veracity. A 4,000-word rebuttal by a coalition of gas and oil producers asserts that Fox botched the facts, misstating the drilling process and the regulations that govern it, and spotlighting citizens whose claims have already been investigated and debunked.

"The object of the film is to shock, and not to enlighten," said Chris Tucker, spokesman for the Energy in Depth coalition. "If that's the kind of project you're trying to do, you're not going to let a few silly facts get in the way."

Fox insists that "Gasland" is accurate, rejecting the Energy in Depth analysis as a "ridiculous mischaracterization" of the film.

"The industry smears anybody who comes out and says what's actually happening. That's the kind of tactic they're well-known for," he said.

If gas companies are his primary target, "Gasland" apportions plenty of blame to politicians and bureaucrats, including former Vice President Dick Cheney – who helped craft an energy bill that critics say exempted a controversial drilling technique from regulatory oversight – and the Obama administration.

"We're still asleep at the wheel," Weston Wilson, an Environmental Protection Agency scientist, whistle-blower and industry critic, tells Fox. "And don't assume, because Obama got elected, that something's changed at the EPA."

Fox is screening "Gasland" in towns throughout Pennsylvania and New York, hoping it will persuade on-the-fence homeowners to tell the gas companies to scram.

The same companies, meanwhile, are still trying to lease Fox's land. The latest offer arrived just a few weeks ago.

"Apparently, they didn't get the memo," said Fox, chortling. "Unbelievable!"

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Online:

Gasland: http://www.gaslandthemovie.com/

Energy in Depth: http://www.energyindepth.org/