



California Energy and Environment Update
January 4, 2011

With some new and some familiar faces, Brown Administration's energy agenda is not expected to differ drastically with Schwarzenegger's

Former Gov. Arnold Schwarzenegger won kudos from many environmentalists, mostly because of his support as a Republican for AB32, though he clashed in recent years with environmentalists over several issues, including expediting the permit processing process for renewable energy projects. It is still too soon to say to what extent Gov. Jerry Brown's energy and environmental policies will differ, but it is unlikely they will change too much.

If, as expected, the Governor nominates John Laird to head California's Natural Resources Agency, Brown is picking a recognized environmental advocate. The former Santa Cruz legislator co-authored California's climate bill A.B. 32, led fights against offshore oil drilling, and pushed for the designation of the Monterey Bay as a national marine sanctuary. If nominated and confirmed, Laird would face several significant issues, such as the continued deadline of the Sacramento-San Joaquin River Delta, an underfunded state park system, and a shortage of wildlife wardens. Word of Laird's expected nomination was applauded by environmentalists and criticized by the California Republican Party.

Governor Brown is expected to appoint Mary Nichols to another term on the California Air Resources Board (CARB). During his first term as governor, Jerry Brown appointed the environmental lawyer to chair CARB in 1978. She has also served under Governor Schwarzenegger when he appointed her in 2007 as chairwoman. Nichols acted as assistant administrator for EPA's Air Radiation program during the Clinton administration and is credited with upholding California's climate change policies when under the threat of Proposition 23.

Commissioner Dian M. Grueneich's term on the California Public Utilities Commission ended on December 31, 2010. She plans to continue to stay involved in clean energy. Governor Brown will be responsible for appointing a new commissioner.

Solar projects face hurdles and lawsuits

Native American activists joined a lawsuit against the Interior Department to block six solar projects in the California desert. The six projects were approved as part of a fast-track process to allow certain renewable projects to meet Recovery Act incentive deadlines. The group claims that the construction will harm ancient geoglyphs and that the Interior Department failed to consult closely enough with Native Americans. A judge in December put on hold an Imperial County solar project due to concerns of a Yuma-area Indian tribe.

Along with the lawsuits facing six solar projects, a company building two of the plants has run into further obstacles delaying the construction. Last week, Tessera Solar sold one of its projects after utility Southern California Edison canceled its power purchase agreement.

Green Chemicals Initiative goes back to the drawing board

After strong criticism from industry and environmental groups, the California Department of Toxic Substances Control (DTSC) has postponed final adoption of chemicals management regulations that would reduce the presence of harmful substances in consumer products. The enabling legislation (A.B. 1879) passed in 2008 requires manufacturers to submit data on chemicals they already provide to the EPA and to European regulators. Manufacturers and importers of products considered by DTSC to be a priority based on sales volumes, public exposure, and disposal methods, would have to perform “alternative assessments” to evaluate the feasibility of safe substitutes for the chemicals. DTSC could ban products containing a chemical of concern if the agency could prove the existence of a safer, available, and affordable substitute. Environmentalists complained the regulations would allow chemical producers to shield key information on safety testing. The chemicals industry voiced concern about inadequate confidentiality protections as well as the process for identifying and prioritizing chemicals of concern.

A reconvened Green Ribbon Science Panel will take another look at the proposed rules.