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Arizona moves to save cash, cut air pollution

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Arizona joined the fight to slow global climate change Friday with an ambitious plan that supporters say could reduce harmful greenhouse pollutants by more than half over the next 35 years and save taxpayers more than \$5.5 billion.

At the heart of the plan are proposals to cut emissions by automobiles and power plants, which together spew nearly 80 percent of the global-warming gases found in the state's air. Scientists blame carbon dioxide and other greenhouse gases for higher temperatures, droughts, worsening air quality and shrinking water supplies.

To jump-start the campaign, Gov. Janet Napolitano signed an executive order that commits the state to reducing greenhouse-gas emissions and moves Arizona toward California-style auto emission standards.

The order also directs all state agencies to begin purchasing fleet vehicles that run on gas-electric hybrid systems or that meet the lower emission standards.

The new state standards, which would not take effect before 2011, could raise the price of a new vehicle initially, but proponents say those costs would be offset over time by better gas mileage. Eleven other states have adopted the standards.

Napolitano issued her order along with a report from the state Climate Change Advisory Group, which she appointed more than a year ago. The group outlined 49 recommendations that range from simple incentives to buy low-energy appliances to an overhaul of the way people pay for electricity. Many of those recommendations require actions by the Legislature or other agencies and could not be enacted by executive order.

"Implementing these recommendations should cut our demand for energy by increasing energy efficiency and improve air quality, all the while saving Arizonans money through reduced fuel costs and lower electricity bills," Napolitano said in a statement.

Arizona becomes one of a small but growing number of states taking on climate change with little or no federal help. California's Legislature last week finished work on one of the most sweeping emission-cutting plans, and New Mexico is nearing completion on its own proposals.

Although Arizona's goals fall short of California's and other states such as Maine and Oregon, the head of a national group that helps states produce these plans said Arizona broke significant ground in its approach.

No other state has achieved such high net savings or found such innovative ways to deal with growth, said Tom Peterson, executive director of the Pennsylvania-based Center for Climate Strategies.

"Arizona's package was very strongly oriented toward things that save money," Peterson said. "That's one of the most remarkable things that came out of it."

Cost savings are expected from more than a dozen of the recommendations, including changes to electricity pricing, more efficient building codes and a switch to hybrid or low-emission vehicles in the state fleet. The largest single source of saved money is expected to come from the new emission standards, the report said.

The group faced daunting challenges. Fueled by population growth, greenhouse-gas emissions have climbed at three

times the national rate and five times the rate of coastal states, Peterson said. The advisory group was able to clear that hurdle and actually turn it into an advantage.

"Rather than trying to slow growth or alter it as a way of reducing emissions, they focused on how you build it right the first time around, taking advantage of the best ideas out there," he said. "There are vast opportunities to address new growth in a positive way."

Many of the recommendations focus on transportation. Greenhouse-gas emissions from transportation have risen an average of 3 percent per year since 1990, according to the report. Napolitano included in her executive order the recommendation that Arizona adopt the Clean Car Program, the stringent emission-reduction standards pioneered in California.

The program would require a roughly 30 percent reduction in greenhouse-gas emissions for new cars, starting in model year 2011.

Though the new regulations could add to a new car's sticker price - estimates in California ranged from \$326 to \$1,048 - proponents say the cars' greater fuel efficiency would more than pay for the initial costs over its lifetime.

Auto industry groups have filed lawsuits in states implementing the program, claiming the regulations place an unfair burden on commerce and are pre-empted by federal laws.

Bobbi Sparrow, president of the Arizona Auto Dealers Association, said she was shocked by the proposal.

"The other states they've tried this in are basically suing because they can't put an industry together fast enough for what they're calling for," Sparrow said. "The manufacturers can't go state to state changing vehicles."

Some of the report's recommendations, such as one suggesting a maximum speed limit of 60 mph for commercial vehicles, could meet with public resistance, said Dave Berry, vice president of Swift Transportation and a member of the climate commission.

Though he said he doesn't personally agree with each recommendation, he defended the group's purpose.

"It is time to address greenhouse gases. Is this the absolutely correct prescription? Only time will tell, but it is a starting point, and it is something that needs to be done," Berry said.

State Rep. Kyrsten Sinema, D-Phoenix, plans to introduce legislation to enact some of the recommendations next session. There is no guarantee that any of the recommendations will become reality. Most of the key recommendations in former Gov. Jane Hull's 1999 Brown Cloud Summit final report sputtered and died in the Legislature.

The pro-environment lawmaker was not optimistic about how her colleagues will receive the report.

"I think that people will ignore it, sadly," Sinema said. "The Legislature has shown a total lack of interest in dealing with these issues."

Diane Brown, executive director of Arizona Public Interest Research Group, said what is important about the governor's plan is that it addresses global warming as an immediate threat, not a theory.

"The debate is over. The time to address impacts is here," she said. "This gives us a package of programs that enable us to get on the road to reducing global-warming emissions in Arizona."

To read the climate group's full report and the governor's executive order, go to www.azclimatechange.us.