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## **Tour touts green message to business**

Group backs greenhouse gas bill

By LIZZIE BUCHEN

A coalition representing more than 160 small and large businesses in California is touring the state to educate the public about how to achieve the state's ambitious emissions-reduction goals while ensuring the economic safety of businesses and consumers.

The AB32 Implementation Group is a nonprofit organization that was formed in response to the 2006 passage of Assembly Bill 32. The groundbreaking bill mandates that the state reduce greenhouse gas emissions to 1990 levels by 2020, or by approximately 30 percent.

"We support the goals and objectives of AB32," said Shelly Sullivan, the group's executive director, "and we need to make sure that we protect the interests of all Californians while we're trying to reach those goals."

Sullivan hopes that the tour — which began in Redding, is in the Monterey Bay area and will continue around the state — will educate the public about the consequences of the state's plan to achieve the goals of AB32, and encourage them to comment when the plan becomes public.

On June 26, the California Air Resources Board released its plan, which was based mostly on taxes, mandates for more efficient technologies and regulations such as hard emissions caps, while the remaining emissions reductions rely on market-based policies.

"It's a comprehensive mix that is tailored to California's economy," said Stanley Young, a spokesman for the Air Resources Board, which released a fiscal analysis of the plan Wednesday. "By implementing these recommendations, our analysis shows that the economy will see a net benefit by 2020. It will grow robustly, and we'll be in a far more sustainable position."

Sullivan is concerned that businesses may not be able to survive the plan.

"It's too reliant on strict regulatory control," she said. "It will force businesses to close down, move elsewhere or pass the costs to consumers. That means higher energy costs, fuel costs, housing costs and utilities costs."

The AB32 Implementation Group advocates a broad market-based approach, specifically a cap-and-trade system, in which the government sets a "cap" on emissions. If a business's emissions fall below the cap, it can sell the difference on the market to companies that want to exceed their cap. Cap-and-trade uses market forces to reward energy efficiency.

"More market means more flexibility, which is what businesses need to reach environmental goals," said Sullivan.

Sullivan thinks the air board's fiscal analysis ignores the near-term economics.

"They are underestimating the costs," she said. "They determined that things will be rosy in 2020, but they're not thinking about the economic burden businesses will have to deal with in the early years."

Young disagrees, and thinks businesses will benefit from the plan.

"When you buy a hybrid car, you pay a premium up front," he said. "After a couple of years, it pays for itself, and after that it's paying you. If people make their homes and businesses more energy efficient, they'll be better off."

The board will release the plan to the public Oct. 3, after which it will be open to comments. The board's staff will then consider input as they develop the final version of the plan, which they will present to the board Nov. 20.

Herald Staff Writer Lizzie Buchen can be reached at 648-1171. State goal • California law requires the state to cut its emissions to 1990 levels by 2020, a reduction of roughly 30 percent.