California Backs Plan for Big Cut in Car Emissions

By DANNY HAKIM

LOS ANGELES, Sept. 24 - California regulators approved a plan on Friday aimed at drastically reducing over the next 11 years the vehicle emissions of gases that scientists have linked to global warming.

It would be the first such regulation in the nation and one that, if it survives legal challenges, would force automakers to increase sharply the fuel efficiency of millions of vehicles.

Though the plan is being put into place by only one state, automakers see it as the most challenging demand from government since Congress first imposed standards to improve fuel economy in the 1970's. California is by far the nation's largest auto market, accounting for a fifth of national sales.

Industry officials said the plan would lead them to restrict sales of large sport utility vehicles and high-performance sports cars in the state. Regulators, including the state's staff of engineers, sharply disputed that and said the industry already had much of the technology to comply on the shelf or, in the case of gas-electric hybrid cars, on the road.

With seven other states in the East following California's lead on air quality regulations, the plan could potentially affect about 30 percent of the market. That would present automakers with tough choices about whether to build different vehicles for different markets or develop a unified nationwide strategy to meet the demands of California and the other states.

A representative from New York reiterated on Thursday the state's support for California's measure.

But the plan still faces an expected legal challenge on multiple fronts from automakers and could also be blocked by the Bush administration. For years, the industry has tied up previous state efforts to regulate air quality, but regulators say that they have learned from those battles and that they believe they will prevail in court.

Automakers, in sometimes combative testimony, strongly opposed the measure, saying it would be far more expensive than the state projected and that regulators are straying far beyond their traditional role of curbing local air pollution.

The industry also dismissed as unproved the board staff's presentation of a broad overview of scientific evidence on the health effects of global warming.

The regulation would require the industry to cut roughly 30 percent of the carbon dioxide and other emissions scientists have linked to climate change trends. The standards would phase in from the 2009 to the 2016 model years, with each automaker's annual new car and truck offerings required to meet increasingly stringent limits.
But the industry said critics sharply underestimated the costs of meeting the standard. The board's staff projected that the regulation would add about $1,000 to the initial cost of an average new vehicle but that gasoline savings over time would more than make up for that. The industry said it would cost an extra $3,000, much more than the potential fuel savings.

The board's staff gave some ground, but not much, modifying its cost savings projections to $2,142 from $2,691 - fuel savings minus higher upfront costs.

On Friday, after two days of hearing, the state Air Resources Board, which is appointed by the Republican governor, Arnold Schwarzenegger, voted 8 to 0 to approve the plan.

"California cannot solve this problem of global climate change by itself," said Alan C. Lloyd, chairman of the air board, "but we can certainly do our share."

Thomas C. Austin, the industry's top research consultant on this regulation, said, "It's the most challenging regulation that's ever been proposed by the California Air Resources Board, or even the E.P.A."

Even companies that have long been leaders in improving fuel efficiency raised questions about the plan. "We don't know how to do it right now," said John German, Honda's manager of environment and energy analysis. "It means using unknown, unproven technology."

The board, along with environmentalists, said the auto industry offered no alternatives, no cooperation and had a history of understating what it could do.

"We have wanted to work with the auto companies, and we have got nothing coming back in return," Mr. Lloyd said during the hearing.

John DeCicco, an engineer and a senior fellow at Environmental Defense, said, "Vehicles are not going to be different in ways that matter to consumers."

While other nations have moved to curb automotive emissions of global warming gases, previous domestic air quality regulations have for decades been focused on a different kind of emission, the smog-forming particles that have been particularly damaging in California.

Those smog-forming emissions can be filtered with a catalytic converter.

But no such filtration technology exists for global warming gases; automakers say that they would have to increase their average fuel economy in the state by 35 to 50 percent within 11 years to meet the standard, a pace not seen since the United States first started regulating fuel economy in the 1970's.

For more than a decade, fuel economy gains have stalled as the price of gasoline moderated and consumers flocked to sport utility vehicles.

The board's staff presented a broad overview of recent scientific research, which it said showed how the warming of the planet has already contributed to a variety of health problems.

In California, rising temperatures would bring a variety of specific risks, the board staff said. Higher temperatures impede the state's battle with smog and can worsen forest fires. They also contribute to the early melting of mountain snow, which can lead to winter flooding and less water runoff for crop
irrigation in the spring, threatening the state's $3.2 billion wine industry.

The board staff also said that rising sea levels, another symptom of the problem, threaten coastlines and could contaminate the state's supply of fresh water.

"The patient here is the earth and its habitants," said an air board member, Dr. Henry Gong, the chief of environmental health service at the Rancho Los Amigos Medical Center. "The treatment option is here before us today."

A top auto industry lobbyist brushed aside the presentation, calling the theory of global warming "a big if."

The lobbyist, Fred Webber, president of the Alliance of Automobile Manufacturers, a lobbying group that includes Toyota, General Motors and all of the major international automakers except Nissan and Honda, said in a statement: "Californians would see no health benefits under this regulation."

He added in an interview during a break at the hearing: "I come from Maine and we had one of the coldest winters on record. It was very, very cold. A lot of people are scratching their beans about whether global warming is occurring. It's a question worth addressing, but on a global basis."

Several legal hurdles remain before the plan could take effect. Lawsuits are expected from the industry, which could sue in state court claiming the proposal does not meet mandated feasibility requirements. The industry could also sue in federal court, claiming that the plan is pre-empted by Washington's authority to regulate fuel economy.

The board has emphasized that the plan is aimed at global warming, not fuel economy directly, and environmentalists have pointed out that emissions can also be modestly reduced by making changes to a car's air-conditioning system.

The Bush administration could also reject California's petition to regulate global warming emissions. California and several other states are already suing the E.P.A., which does not consider global warming gases to be pollutants.

Last year, General Motors and DaimlerChrysler dropped a lawsuit over California's zero-emission-vehicle mandate, a regulation that will require automakers to have 10 percent of their new vehicles meet a variety of stringent smog-forming emission targets. The industry and the state wrangled for years over the proposal, which was first put in place in 1990.

California has unique authority to regulate air pollution, because its air quality regulations predated the federal Clean Air Act.

Other states have the option of following California's regulations over Washington's. This year, New Jersey, Rhode Islands and Connecticut have said they intend to start following California's car rules; New York, Massachusetts, Vermont and Maine already do.