

State of the City preview

by Eric Firpo / TP staff

Tracy Press, Tuesday, March 23, 2010

Tracy has worked a deal to sell and lease 200 acres it owns on West Schulte Road to a power company that plans to turn it into a solar farm — a move that will bring Tracy several hundred thousand dollars a year to help lessen its ongoing budget deficit.

The news is expected to be part of a couple of splashy announcements by Mayor Brent Ives at Tuesday's State of the City address.

The agreement is in the hands of attorneys for the city as well as of GWF Energy, which plans to build the solar farm to help drive turbines once it gets approval to rebuild the Tracy Peaker Plant and run it full time, said Tracy City Manager Leon Churchill. The proposed solar farm is expected to be added to its peaker plant application now in the hands of the California Energy Commission.

Tracy acquired the 200 acres that was once an antenna farm in 2004 through an act of Congress.

The land had been owned by the federal General Services Administration, which gave Tracy 150 acres and sold the other 50 for \$50,000 per acre, with the stipulation that the land be used for recreation or education.

Now that it will be used for neither, finalizing the deal will take another act of Congress — which could take place in the fall — spearheaded by Sen. Dianne Feinstein and supported by Rep. Jerry McNerney, D-Pleasanton.

On March 3, Tracy sent a letter to the energy commission supporting the peaker plant application, touting the money GWF has given local charities, the amount of jobs construction will create and “environmental improvements” from the rebuilt peaker plant.

Once rebuilt, the plant will produce less smog per kilowatt of electricity generated than the part-time plant now creates, though GWF will have a permit to generate 53 times more **smog** overall than it does now.

Churchill said the solar farm will produce 300 construction jobs in addition to the 400 jobs remodeling the peaker plant is expected to create.

The exact amount of the deal has yet to be released, though Churchill said GWF would lease 150 acres and buy 50. Councilman Steve Abercrombie said the deal could be in the \$1 million range.

The cash will help as the city tries to pare down its projected \$9 million budget deficit this year.

“We’re going to do fine,” Churchill said.

Judge approves refinery sale order

BY JOHN COX, Californian staff writer

Bakersfield Californian, Wednesday, March 24, 2010

A U.S. bankruptcy judge in Delaware on Tuesday approved the \$40 million sale of Big West refinery to the California subsidiary of an Israeli company that has said it plans to connect the plant by pipeline to a refining complex it owns in Los Angeles County.

The judge did not sign a sale order, and the purchase agreement has not yet been carried out, but observers say Tuesday's court action ends more than a year of uncertainty about the fate of a large local employer that had been a steady buyer of Kern crude oil and significant producer of California fuels.

There remain important unanswered questions about the plans of the buyer, Paramount Petroleum Corp., which is part of the Dallas-based U.S. subsidiary of Alon Israel Oil Co. Ltd.

Alon has not stated, for example, what exactly it would produce at Big West, whether it would operate the refinery while it builds a new pipeline to the Long Beach area, whether it will try to

move forward with a proposed \$700 million expansion, or how many people it would need to run the plant.

A representative of Alon said the company had no comment. A spokeswoman for Utah-based Flying J Inc., which closed the refinery about a month after filing for Chapter 11 bankruptcy reorganization in December 2008, said Tuesday afternoon that she could not confirm the sale's approval.

The acting manager of Big West could not be reached for comment Tuesday.

Court documents available online show that the judge approved the sale order, although she did not sign them.

"The order approving the sale was submitted to the judge who will likely sign and enter it in the next couple of days," John W. Kim, an attorney with the Los Angeles law firm Nossaman LLP, which represents a number of Flying J's creditors, wrote in an e-mail late Tuesday afternoon.

Flying J bought the refinery in 2005 from Shell for a reported price of \$130 million.

Alon announced early last month that it was the lead bidder in an auction that had been scheduled to take place last week. But no other bids came forward, and so the auction was canceled and, on Tuesday, a judge determined that Alon was the only qualified buyer.

The sale was opposed by United Steelworkers, which represents current and former employees of the refinery. The union said Alon brushed off its efforts to meet with the company to discuss honoring United Steelworkers' labor agreement with Flying J.

"The workforce at the Bakersfield refinery is experienced and highly trained, and the USW had thought that Alon would want to ensure a smooth transition of the operations. To this point, Alon has ignored the USW's requests to meet," the union said in a news release.

Some 175 workers were let go when Big West was shut down in late January or early February of last year.

When it was at full capacity, Big West was refining about 70,000 barrels of oil a day, producing 2 percent of the state's gasoline and 6 percent of its diesel.

News of the sale has been anxiously awaited not only by refinery workers, but also by local oil producers who supplied the plant until its closure.

People in the fuel industry have said that local gasoline prices could decline somewhat if the refinery returns to refining fuel because that would reduce the need to truck in fuel from outside the area.

[Letter to the Fresno Bee, Wed., March 24, 2010:](#)

Don't gut Clean Air Act

Arctic ice is melting, making it hard for polar bears to find food. Rising temperatures in rivers and streams is eliminating habitat for temperature-sensitive fish like salmon and trout. A changing climate is disrupting nature's balance between predators, like wolves, their prey and plant life, endangering the future of millions of species.

While Congress delays addressing global warming and its serious consequences for people and animals, the Environmental Protection Agency has stepped in to regulate big polluters under the Clean Air Act.

But now, this crucial legislation is under attack. For 40 years, the Clean Air Act has cut pollution dangerous to humans and animals. Now, as the EPA prepares to regulate the carbon emissions from power plants and factories that fuel climate change, several members of Congress want to permanently disallow EPA regulation of greenhouse gases. I urge Congress to uphold the integrity and regulatory authority of the Clean Air Act. Now is not the time to gut the Clean Air Act.

Howard Clark, Clovis