

Logic loses in California carbon war

Dan Walters, Sacramento Bee, 1-1-15

Truth, it's been said, is the first casualty of any war.

Logic appears to be the first casualty of California's somewhat lonely war on climate-changing emissions of carbon dioxide, as two current skirmishes indicate.

Let's start with the Air Resources Board's decree that automotive fuel, considered to be the state's major source of carbon, be brought into its "cap-and-trade" system of limits this year.

Refiners must account for carbon emissions as California motorists drive more than 300 billion miles each year and consume about 15 billion gallons of fuel.

Fuel suppliers must pay for emission tonnage "allowances" from a pool created by the state, either directly or from other owners, and presumably will pass on their cost to motorists.

The effect at the gas pump is still unclear, with estimates, officially and otherwise, running from a few cents a gallon to as many as 76 cents.

Program supporters are downplaying potential impacts, arguing that with gas prices otherwise in steep decline, motorists will scarcely feel the nibble on their wallets.

But doesn't that miss the point, which is to reduce carbon emissions by compelling motorists, through higher gas prices, to cut down on fuel purchases and use?

If the effect is, in fact, as minuscule as it's being portrayed – Assembly Speaker Toni Atkins, for instance, says it's "a few pennies, maybe" – and motorists don't notice it, then they won't reduce driving.

Logically, one would think, cap-and-trade advocates should want the nibble to be a big bite, at least 50 cents a gallon. Otherwise, it's just an extra tax to generate money for politicians to spend.

And then there's the notion, advanced by Senate President Kevin de León with ardent support of climate change activists, that big state pension funds should be compelled to divest their holdings in coal companies.

"Climate change is the top priority of the California state Senate," de León said during a climate change conference last month. "Coal is a dirty fossil fuel, and we generate very little electricity in California from coal, and I think our values should shift in California."

Coal company executives couldn't care less who owns their stock, unless owners have enough to affect corporate policy. By divesting, California's public pension funds would lose whatever leverage they have on such policy.

Logically, therefore, if de León wants to influence those corporations, he'd compel the pension funds to buy more – a lot more – of their stock. Or he would have California's utilities stop buying any electric power from coal-fired generation plants, which might affect their profits.

However, the latter could affect Californians' utility bills, which might have political repercussions. So it's easier to engage in toothless – and pointless – symbolism.