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*Guiding our communities
from oil dependency to local resilience*

May 8, 2009

Mr. Dennis Quilliam, City Planner
City of Los Angeles, Los Angeles World Airports
7301 World Way West, 3rd Floor
Los Angeles, CA 90045

Re: Notice of Preparation of a Draft Environmental Impact Report
Los Angeles International Airport Central Utility Plant Replacement Project
Case No. EIR-09-009-AD

Mr. Quilliam:

The proposed Central Utility Plant Replacement Project is predicated upon the Los Angeles International Airport Specific Plan (Specific Plan) adopted December 14, 2004. Many things have changed since 2004.

Our economic outlook is vastly altered. Our understanding of peak oil has progressed considerably. And the urgency with which we must act to mitigate the impacts of global warming calls for a dramatically different approach.

As the Draft EIR is prepared, it must address the realities of our present circumstances and the revised projections for our future.

“Current and anticipated demand”

The NOP cites that a new Central Utility Plant (CUP) is needed to meet “current and anticipated demand.”¹ Yet the airport demand statistics being used in the Specific Plan – and thus the NOP – are now questionable.

The airline industry is in serious decline. November 2008 statistics show that U.S. airlines carried 13.5 percent fewer domestic passengers compared to the prior year², and statistics through January 2009 documented multiple consecutive months of contraction.³ January 2009 statistics also documented a 23.2 percent year-on-year demand drop in cargo markets.⁴

On top of this, we have the issue of peak oil. International demand for oil and gas will outstrip supply within seven years, according to Royal Dutch Shell chief executive Jeroen van der Veer.⁵ Oil and gas are changing from being cheap, plentiful, and in constant supply, to being costly and precious, with a supply that is unpredictable.

Peak oil means we will not have the cheap, abundant energy supply to continue “business as usual,” much less to create growth or expansion of energy-intense activities. Alternative

energy sources will provide only limited solutions because none has the energy density to replace liquid fuels, and certainly none can power an aircraft.

As further repercussions of the economic downturn unfold, as we experience fuel supply constrictions, and see dramatic fuel price volatility with the unfolding of peak oil, the current decline in the airport industry is only going to compound.

The airline industry is thus a doomed industry, a relic of a bygone era in this time of peak oil and global warming mitigation.

- **The Draft EIR must reevaluate airport demand statistics within the context of peak oil, economic collapse, and global warming.**

Economics

The credit crisis, the housing market crash, and rising unemployment are symptoms of a deteriorating economy. We are seeing budget crises across the board.

- “The City currently faces a Fiscal Year 2009-10 deficit of \$530 million and Fiscal Year 2010-11 deficit of nearly \$1 billion.” – Website of the Mayor’s Office⁶
- The California budget deficit has been projected at more than \$41 billion.⁷
- At the Federal level, some forecasters anticipate annual budget deficits that will force the nation to borrow nearly \$9.3 trillion over the next decade.⁸

Borrowing – or budget shortfalls – is a practice which presumes that the future will bring a surplus in order to repay the borrowed funds. For several decades this presumption has been accurate. But not today:

- The International Monetary Fund expects global growth to turn negative this year.⁹
- A January 2009 gathering of the foremost global political and business leaders at the World Economic Forum at Davos spoke of “Depression 2.0”¹⁰
- “The current global recession is likely to be ‘unusually long and severe, and the recovery sluggish,’ the International Monetary Fund has warned.”¹¹

In short, this economic “downturn” is very likely to deepen. There will be no future surplus; thus additional current day borrowing (or overspending) is imprudent.

Additionally: “Some other things about the global energy predicament are poorly understood by the public and even our leaders. This is going to be a permanent energy crisis, and these energy problems will synergize with the disruptions of climate change ... to produce higher orders of trouble. ... The upshot of all this is that we are entering a historical period of potentially great instability, turbulence and hardship.”¹²

Our limited public funds are needed to maintain and restructure public services, facilitate retraining for future-oriented jobs, and create community preparedness for the realities of a post-petroleum future. Taking precious public funds, at this point in human history, and

expending them toward an anachronistic industry means those funds aren't available to help our citizens in a time of deepening crisis.

- **This spending choice – to forego helping our citizens in crisis, in favor of building further infrastructure toward an outdated industry – stands to cause substantial adverse effects on the citizens of our city. How can this spending choice not “cause substantial adverse effects on human beings, either directly or indirectly”? The Draft EIR (NOP Section XVII c.) must answer.**

Return on Investment

If the City does decide to invest public funds into the airport at this point in human history, the new CUP must be designed to return benefit for that investment. With the airline industry drifting into its twilight years, the new CUP must be designed to provide alternate uses to the general public as the airport volume tapers off. The new CUP must have functionality beyond the sunset of the airline industry.

The entirety of the new CUP's operating life will fall within time periods when humanity is striving to reduce carbon emissions and simultaneously cope with the decreases in fossil energy supplies. (A timeline schedule of carbon reduction goals and peak oil projections – compared with the timeline of the new CUP – has been enclosed for your reference.) The new CUP must be designed to help Los Angeles citizens through this dual crisis.

- **The Draft EIR should indicate the expected lifespan of the new CUP (presumably 40+ years like the old one), and to what alternative purposes the CUP will be put in those coming decades as airport needs disappear.**
- **The Draft EIR should demonstrate that the new CUP has been designed with ability to shut down service to selected terminals or sections of the airport property when these buildings phase out of use with decline of airport functionality.**

The NOP indicates the new transformers “*may* also export power back to the grid.”¹³(emphasis added) In this era of declining airport demand, the new CUP *must* be designed with alternate, non-airport functionality in mind.

- **In mitigation for the use of public funds toward a major project for a declining industry, the new CUP should be designed so that it “*does* export power back to the grid” as airport use declines. The Draft EIR should demonstrate the benefits to the surrounding community once LAX airport no longer needs the power the CUP generates (i.e. new local electricity generation source for the area run on renewable biogas, etc.).**

The new CUP should be designed to function in a post-peak world. While it is admirable that biogas is being considered¹⁴, the NOP indicates that the biogas will be blended with natural gas, without stating how heavily the ratio is dependent upon the fossil-based gas.

Forerunner projections assert that U.S. natural gas peaked circa 2001; conservative projections place peak natural gas around 2022, which is well within the anticipated operating lifespan of the new CUP. The peak in natural gas production does not signify ‘running out of gas’, but it does mean the end of cheap gas, as we switch from a buyers’ to a sellers’ market.¹⁵ Extreme price volatility is imminent. Is our City investing in a Plant which is short-term because it will very soon become too expensive to function?

- **The Draft EIR should explain CUP planned operations for future years when natural gas is much higher in cost or much less available. The new CUP must be designed to be functional and useful, even at reduced capacity, on varying ratios which include pure biogas.**

Global Warming

Since the adoption of the Specific Plan, global warming legislation has been passed and concrete societal goals have been expressed. U.S. participation in international legislation now seems likely under the new Presidential Administration. Any renovations at LAX must comply with all of these, whether legally binding or not yet binding. The new CUP must meet or exceed societal goals during its lifetime.

- **At Section III, the Draft EIR must clearly reveal, with respect to greenhouse gas emissions that are “real, permanent, quantifiable, and verifiable” (as defined by California Health and Safety Code Section 38562(d)(1)) how the new CUP operations will help LAX meet or exceed each of the following societal goals:**
 - reduce global warming pollution at least 25% below 1990 levels by 2020 (widely-accepted national goal);¹⁶
 - reduce global warming pollution at least 35% below 1990 levels by 2030 (LA City goal);¹⁷
 - make significant progress toward reducing global warming pollution at least 80% below 1990 levels by 2050 (widely-accepted national goal and likely international legislation);¹⁸
 - How does the new CUP help LAX reflect the IPCC’s “Underlying policy framework” for Transport Sector? (international guideline)¹⁹
 - How does the new CUP help LAX comply with the California Global Warming Solutions Act? How does the LAX combined airport enterprise measure up to Health and Safety Code Section 38530(b)(1) (irrespective of any and all waivers LAX might have sought under Section 38562(b) or other sections)? (California state law)
 - How does the new CUP help LAX adhere to the U.S. Mayor’s Climate Protection Agreement, Item C 1?²⁰

- How does the new CUP contribute to reducing CO₂ concentrations below 350ppm by late this century?²¹ This statistic transcends the realm of “goals,” and instead represents basic human survival.

Pollution offset credits, Certified Emission Reductions (CERs), and clean development mechanisms (CDMs) are credit-swapping techniques for getting old, polluting technologies to become aware of how much they pollute. Pollution offset credits and carbon credits are interesting artificial tools for raising current-day consumer awareness of the need to change our ways. But the point is not to “use offsets.” The point is to make real, physical decreases in greenhouse gas emissions. As we contemplate building new infrastructure to see us into the future, we must move beyond the artifice of “credits.”

Any equipment built now, with an operational lifespan that overlaps these critical carbon decrease years, must be designed to function cleanly in and of itself, without dependency upon other enterprises for “credits” to cover up an intrinsically flawed design.

The NOP uses such terms as “obsolete” and “aged” as a reason for CUP replacement. Since the new CUP is being built with knowledge and awareness of these societal goals, it must be designed to attain these goals without need for purchase of pollution offset credits or carbon credits; if it does not, the new design is clearly “obsolete” and “aged” even before it is built.

- **The Draft EIR should demonstrate that the new CUP has been designed to meet or exceed societal goals without any need for purchase of pollution offset credits or carbon credits.**

The Post-peak world

We have recently crossed (or very soon will cross) the half-way point of global oil and natural gas supplies. Even conservative thinkers are now admitting the limitations.²² The U.S. House of Representatives has a Peak Oil Caucus.²³ Many major cities are studying and preparing for post-peak scenarios.²⁴ Los Angeles, claiming to be the “cleanest and greenest big city in the nation,”²⁵ should similarly plan.

While many of the points in this letter may sound like radical departures from the status quo, it is important to examine the science. Societal expectations of unlimited resources and uninterrupted, abundant fossil fuel supplies are unrealistic. We can continue pretending there isn't a problem until we reach catastrophe, or we can get down to work now, and rationally plan what we're going to do about it.

“The circumstances ... will require us to downscale and re-scale virtually everything we do and how we do it, from the kind of communities we physically inhabit to the way we grow our food to the way we work and trade the products of our work. Our lives will become profoundly and intensely local. Daily life will be far less about mobility and much more about staying where you are.”²⁶

Currently, fruits and vegetables in conventional grocery stores travel an average of 1,500 miles from farm to table. With reduced transportation abilities, we will no longer be able to

import our food from long distances; we will need to produce food much closer to the places where people live.

The currently-vacant acreage at LAX Northside – one of the last remaining major land tracts in the area – may become essential for food production in the decade ahead. One plan for this property included community gardens.²⁷ Since publication of that plan, the “recession gardening” movement has taken off; people now are beginning to value open land – not for construction projects but for growing food. The LAX Northside vacant land is a completely inappropriate site for the water processing plant or for any other current-day construction project.

As we design plans for a post-petroleum future, we begin to realize that chipping away at this large piece of open land for construction projects devoted to an energy-intense paradigm may undermine our long-term survival.

- **The Draft EIR (sections IX b. and II c.) must treat the LAX Northside land tract as a “potential farmland” resource for purposes of the EIR process.**

In addition to considerations of decreased airport volume and alternate (non-airport) uses for the CUP, other issues demand consideration in planning for a post-peak, climate-changed world.

Forecasts show that in the climate change world of our future, the “droughts” we’re currently experiencing will become the norm. While it is admirable that reclaimed water is being considered for the new CUP²⁸, will the planned water system remain functional given the changes we face? Will it still remain functional as California water supply approaches 70% of 2005 levels? What about if it approaches 10% of 2005 levels?

In California, 19% of the state’s electricity goes into moving and pumping water.²⁹ How will the CUP’s intertwined systems function in an energy-constrained world?

- **The Draft EIR should consider what will power the pumps to get water from Hyperion to the new water treatment plant, and what will power the new water treatment plant. Will the new CUP generate sufficient electricity back to the surrounding community to cover its own operations plus create sufficient return on investment?**
- **The Draft EIR should demonstrate that adequate consideration has been given to Hyperion’s operations in the world of the future. Will post-peak changes in energy supplies affect Hyperion operations to the extent that the new CUP won’t be supplied with biogas?**
- **The Draft EIR should explore how Hyperion and the new CUP will operate under the region-wide decreased water supply we will have as climate change sets in.**

Planning for an energy-constrained world demands thinking in dramatically different fashion. The presumption that economic growth will continue forever has now been shaken to its core. The presumption that our energy supply is unlimited is unfounded. These base line changes call for a different way of evaluating decisions about building, about expansion, about government

policy and about community. Please give our comments and questions serious consideration as you prepare the Draft EIR.

Sincerely,

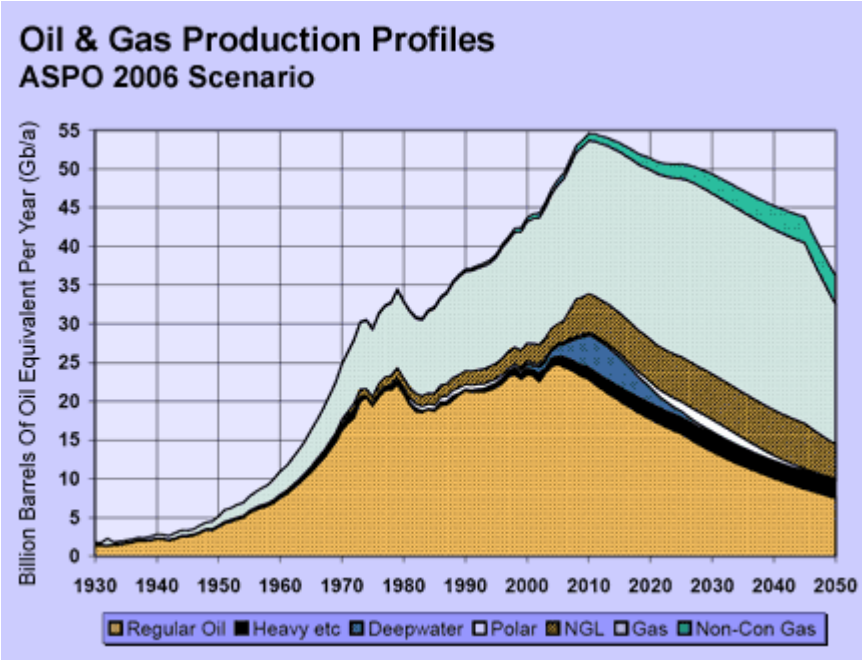
Joanne Poyourow
Transition Los Angeles

The Reverend Peter H. Rood, Jr.
Environmental Change-Makers

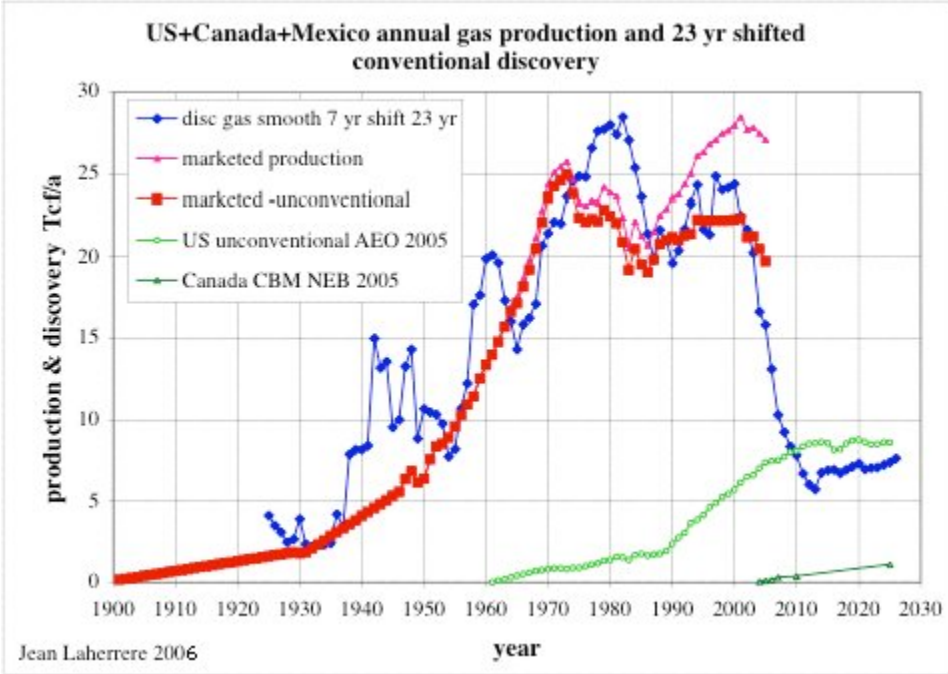
Transition Los Angeles is a group of local grassroots citizens who are preparing our communities for a positive outcome through the sweeping changes coming with global warming and peak oil. They work to Transition our society from our current high-energy, high-consumption lifestyles toward our inevitable lower-powered future. They do this by growing local *resilience*, our ability to flex and adapt to change. Their predecessor organization -- the **Environmental Change-Makers** of Westchester -- has held free public meetings on environmental solutions for over three years. Transition Los Angeles is affiliated with Transition United States and the international Transition Network.

Cc: Mayor Antonio Villaraigosa
Councilmember Bill Rosendahl
Assemblymember Curren Price
Assemblymember Ted Lieu
Representative Maxine Waters
Congresswoman Jane Harman
Governor Arnold Schwarzenegger
Congressional Peak Oil Caucus c/o Representative Roscoe Bartlett

Los Angeles Times
350.org
Sierra Club Legislative Office
Union of Concerned Scientists West Coast Office
Transition United States



Peak Oil ³⁰



Peak natural gas ³¹

Production is neatly mirroring Discovery with a 23 year lag.

Notes

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- ¹ LAX CUP Replacement Project EIR Notice of Preparation page 3, Section 2: Project Description
- ² TravelPulse.com, "DOT Reports Largest Air Traffic Decline Since 2002," February 13, 2009
<http://www.travelpulse.com/Resources/Editorial.aspx?n=51853>
- ³ International Air Transport Association, "Economic Gloom Continues in January Traffic," February 26, 2009
<http://www.iata.org/pressroom/pr/2009-02-26-01.htm>
- ⁴ International Air Transport Association, "Economic Gloom Continues in January Traffic," February 26, 2009
<http://www.iata.org/pressroom/pr/2009-02-26-01.htm>
- ⁵ "Peak Oil by 2015," Business Spectator, January 2008 <http://www.businessspectator.com.au/bs.nsf/Article/Peak-oil-by-2015-Shell-BA6GT?OpenDocument>
- ⁶ <http://www.ci.la.ca.us/Mayor/posting/feed> of L.A. Times story <http://www.latimes.com/news/opinion/la-ed-budget7-2009apr07,0,4120732.story>
- ⁷ Time, "The Great California Fiscal Earthquake," January 9, 2009
<http://www.time.com/time/nation/article/0,8599,1870299,00.html>
- ⁸ The Washington Post, "Deficit Projected to Swell Beyond Earlier Estimates," March 21, 2009
<http://www.washingtonpost.com/wp-dyn/content/article/2009/03/20/AR2009032001820.html>
- ⁹ "World Economy to Shrink for First Time in 60 Years," Guardian UK, March 10, 2009
<http://www.guardian.co.uk/business/2009/mar/10/imf-great-recession>
- ¹⁰ January 2009 <http://news.bbc.co.uk/2/hi/business/davos/7859179.stm>
- ¹¹ BBC News, April 16, 2009 <http://news.bbc.co.uk/2/hi/business/8000529.stm>
- ¹² James Howard Kunsler, "The Long Emergency," <http://www.energybulletin.net/node/4856>
- ¹³ LAX CUP Replacement Project EIR Notice of Preparation, Section 2.1 (page 4)
- ¹⁴ LAX CUP Replacement Project EIR Notice of Preparation, Section 2.1 (page 3)
- ¹⁵ Paraphrasing Energy Bulletin, Peak Oil Primer, <http://www.energybulletin.net/primer>
- ¹⁶ 25% statistic is explained at <http://www.1sky.org/about/1sky-solutions>
- ¹⁷ 35% statistic is explained at Green LA environmental agenda, Office of the Mayor, <http://www.ci.la.ca.us/Mayor/>
- ¹⁸ 80% statistic is explained at <http://stepitup2007.org/article.php?id=466> and has been reiterated by Todd Stern, US Envoy to UN negotiations in Bonn, Germany, March 2009, thereby indicating that it is on the table as international legislation. http://www.huffingtonpost.com/2009/03/29/obamas-climate-change-tea_n_180441.html
- ¹⁹ IPCC Fourth Assessment Report (AR4), Working Group III Report, "Mitigation of Climate Change," November 2007, Table SPM-4. <http://www.ipcc.ch/>
- ²⁰ U.S. Mayor's Climate Protection Agreement, 2005. <http://www.seattle.gov/mayor/climate/>
- ²¹ Hansen, J., Sato, M., Kharecha, P., Beerling, D., Masson-Delmotte, V., Pagani, M., Royer, D., Zachos, J., "Target Atmospheric CO₂: Where Should Humanity Aim?" www.columbia.edu/~jeh1/2008/TargetCO2_20080407.pdf
- ²² U.S. Government Accountability Office, "Addressing a Peak and Decline in Oil Production," February 2007
<http://www.gao.gov/products/GAO-07-283>
- ²³ <http://www.globalpublicmedia.com/articles/572>
- ²⁴ Portland Peak Oil Task Force <http://www.portlandonline.com/osd/index.cfm?c=42894> ; San Francisco Peak Oil Preparedness Task Force
http://www.sfenvironment.com/our_policies/overview.html?ssi=20#LegislationandInitiatives
- ²⁵ http://mayor.lacity.org/villaraigosaplan/EnergyandEnvironment/LACITY_004467.htm
- ²⁶ James Howard Kunsler, "The Long Emergency," <http://www.energybulletin.net/node/4856>
- ²⁷ UCLA Landscape Architecture Program, *In the Shadow of LAX: Balancing an Airport Environment with Community and Habitat*, circa 2006 or 2007
- ²⁸ LAX CUP Replacement Project EIR Notice of Preparation, Section 2.1 (page 6)
- ²⁹ Per Center for Sustainable Energy, "A Sustainable Energy & Water Future," powerpoint presentation, October 2007 http://www.waterconservationsummit.com/A_Sustainable_Energy__Water_Future.pps
- ³⁰ Energy Bulletin, Peak Oil Primer, <http://www.energybulletin.net/primer>
- ³¹ The Oil Drum: Europe <http://europe.theoil Drum.com/story/2006/11/27/61031/618#more>