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LOS ANGELES COUNTY  
SOLID WASTE MANAGEMENT COMMITTEE/  
INTEGRATED WASTE MANAGEMENT TASK FORCE  
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July 27, 2016

The Honorable Ben Hueso, Chair  
Senate Energy, Utilities, and Communications  
State Capitol, Room 4035  
Sacramento, California 95814

Dear Senator Hueso:

**ASSEMBLY BILL 2313 (AMENDED JUNE 14, 2016) – SUPPORT: RENEWABLE  
NATURAL GAS: MONETARY INCENTIVE PROGRAM FOR BIOMETHANE  
PROJECTS: PIPELINE INFRASTRUCTURE**

The Los Angeles County Solid Waste Management Committee/Integrated Waste Management Task Force (Task Force) is pleased to **support** Assembly Bill 2313 (AB 2313), as amended on June 14, 2016. If enacted, AB 2313, among other things, would require the California Public Utilities Commission (CPUC) to increase the funding apportioned to the monetary incentive program for individual biomethane projects, excluding dairy cluster biomethane projects, from \$1,500,000 to \$3,000,000 and extend the incentive program through December 31, 2021. This bill would also require CPUC, in consultation with the State Air Resources Board and State Energy Resources Conservation and Development Commission, to adopt rules for gas corporations by January 2, 2018, relative to investments in infrastructure interconnecting to biomethane sources, as specified. The provisions requiring the adoption of these rules would remain in effect only until January 1, 2026.

There are a multitude of environmental benefits associated with the production of biomethane. Biomethane has a much lower carbon intensity than natural gas derived from fossil fuels. The use of biomethane for the production of transportation fuels would decrease greenhouse gas (GHG) emissions from the transportation sector, which the State Air Resources Board estimated to account for approximately 37 percent of the State's aggregate emissions in 2013. Unlike natural gas, biomethane is carbon neutral; under certain conditions, it can even be carbon negative. Its use would also decrease dependency on fossil fuels used for powering industrial equipment, increase the usage of low carbon transportation fuels, and reduce disposal costs of organic waste. Most notably, biomethane production would reduce methane emissions from the disposed solid wastes, especially organics. Methane is a short-lived climate pollutant with a climate change impact 25 times greater than carbon dioxide, according to the U.S. Environmental Protection Agency.

The Task Force has been a longstanding supporter of utilizing the State's organic waste to produce biofuels through the development and use of conversion technologies (CTs). In 2012, California passed legislation and subsequent rules to facilitate and promote the production and utilization of biomethane in the State by allowing for injection of biomethane into common carrier natural gas pipelines. However, as a result of the stringent regulations imposed pursuant to AB 1900, biomethane project start-up costs have proven cost-prohibitive. Consequently, not a single pipeline biomethane project has become operational since the passage of AB 1900. Even though a great deal of work remains to further spur investment in biomethane production in the State, the passage of AB 2313 would double the monetary incentives currently offered by the PUC for biomethane projects and promote the beneficial use of CTs Statewide.

The June 14, 2016 amendment will further incentivize the development of biomethane projects in the State by facilitating the installation of utility infrastructure necessary to achieve interconnection between the natural gas transmission and distribution pipeline network and biomethane generation and collection equipment and to achieve interconnection with facilities that generate biomethane. In addition, the bill would benefit ratepayers by ensuring that the investments for infrastructure are recoverable in rates. Furthermore, the bill would also financially protect ratepayers by ensuring that infrastructure is installed for biomethane projects that will actually be built and operated and that will be cost effective, considering the volume and carbon intensity of the biomethane, the costs of interconnection, alternative available to the biomethane use and distribution, and other costs and benefits.

Pursuant to Chapter 3.67 of the Los Angeles County Code and the California Integrated Waste Management Act of 1989 (Assembly Bill 939, as amended), the Task Force is responsible for coordinating the development of all major solid waste planning documents prepared for the County of Los Angeles and the 88 cities in Los Angeles County with a combined population in excess of ten million. Consistent with these responsibilities and to ensure a coordinated and cost-effective and environmentally sound solid waste management system in Los Angeles County, the Task Force also addresses issues impacting the system on a countywide basis. The Task Force membership includes representatives of the League of California Cities-Los Angeles County Division, County of Los Angeles Board of Supervisors, City of Los Angeles, waste management industry, environmental groups, the public, and a number of other governmental agencies.

Based on the foregoing, the Task Force **supports AB 2313** as amended June 14, 2016, and urges this committee to pass this bill. If you have any questions, please contact Mr. Mike Mohajer, a Member of the Task Force, at [MikeMohajer@yahoo.com](mailto:MikeMohajer@yahoo.com) or (909) 592-1147.

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Sincerely,

*Margaret Clark*

Margaret Clark, Vice-Chair  
Los Angeles County Solid Waste Management Committee/  
Integrated Waste Management Task Force and  
Council Member, City of Rosemead

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cc: Assembly Member Das Williams  
Each Member of the Senate Energy, Utilities, and Communications Committee  
Jay Dickenson, Energy, Utilities, and Communications Committee Consultant  
California Air Resources Board  
Each Member of the California Public Utilities Commission  
California State Association of Counties  
League of California Cities – Los Angeles County Division  
Each member of the Los Angeles County Board of Supervisors  
San Gabriel Valley Council of Governments  
South Bay Cities Council of Governments  
Gateway Cities Council of Governments  
Westside Cities Council of Governments  
Each City Mayor and City Manager in the County of Los Angeles  
Each City Recycling Coordinator in Los Angeles County  
Each Member of the Los Angeles County Integrated Waste Management Task Force