

LOS ANGELES COUNTY
SOLID WASTE MANAGEMENT COMMITTEE/
INTEGRATED WASTE MANAGEMENT TASK FORCE
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April 28, 2014

The Honorable Wesley Chesbro State Capitol, Room 2141 Sacramento, CA 95814

Dear Assembly Member Chesbro:

OPPOSE UNLESS AMENDED ASSEMBLY BILL 1826 (AMENDED APRIL 22, 2014) SOLID WASTE: ORGANIC WASTE

The Los Angeles County Solid Waste Management Committee/Integrated Waste Management Task Force (Task Force) supports the state goal of increasing waste diversion to 75% or higher as established under AB 341 (2011, Chesbro). The Task Force also agrees that diverting organic waste from landfills will be necessary to accomplish this goal. However, in order for local governments to accomplish the State mandated goal, they need to be provided with tools for successful implementation of an organic waste recycling program. For this reason the Task Force currently **opposes** Assembly Bill 1826 (April 22, 2014 version) **unless amended** to address the following concerns. However, we would like the opportunity to work with you and/or your staff to address these issues with the goal of reaching a resolution.

- Provide incentives for increased organic waste processes infrastructure and remove barriers to the use of new technologies for processing organic waste.
- Modify the 2019 Threshold applicable to businesses generating one cubic yard of organic waste per week.
- Expand criteria for delaying implementation of the "organic waste recycling program" by a jurisdiction.
- Define the terms "organic waste recycling", "organic waste recycling facility", and "reasonable vicinity" unless they will be defined by the Department of Resources Recycling Recovery through the rulemaking process.
- Remove program requirements which seem excessive.

<u>Provide incentives and Remove Barriers to infrastructure and additional processing options</u>

The enactment of AB 1826 would necessitate the development of new composting and/or anaerobic digestion (AD) facilities. Urbanized areas such as Southern California do not have sufficient composting facilities due to the South Coast Air Basin's air quality standards. Therefore, the organic waste must be shipped out of the region, which is both very costly and not environmentally friendly, or processed at AD facilities, which under the current State statutes seem to be the most viable option but presently none exist in Los Angeles County (with exception of publically own sewage treatment facilities). Currently, the 89 jurisdictions in Los Angeles County generate over 5 million tons of organics (including green materials) per year, and our preliminary estimates indicate that County jurisdictions would need over 36 AD facilities with a processing capability of 250 tons-per-day each. A similarly sized facility in San Jose cost approximately \$40 million; therefore the total cost to build this infrastructure in Los Angeles County could be as high as \$2 billion. This is essentially a new industry for Los Angeles County, and as previously indicated, there are currently no AD facilities in the County that are open to the public.

We believe state-administered grant, tax incentive, and loan programs are critical to helping this industry get off the ground and become successful. Significant funding will be required to build the necessary processing infrastructure for organics waste recycling, which should not be limited to one or two processes.

Many thermal, chemical, biological, and mechanical conversion technologies could be utilized to process organic material into a wide spectrum of resources that can be used to produce electricity and fuels in an environmentally friendly and protective manner. However, these technologies are stifled by antiquated legislative and regulatory barriers. These technologies can diversify our approach to organic waste management and help jurisdictions comply with the State's direction to divert these materials from landfill disposal.

We encourage the State to take a technology neutral position or, at a minimum, not prohibit technologies that can provide equal or greater greenhouse gas reductions than anaerobic digestion and composting. Although anaerobic digestion is at present the most widely used technology in California to convert biodegradable organic waste to energy, biomass gasification and other conversion technologies can manage a broader array of organic waste and have much lower residuals that may still need to be disposed of while providing comparable or greater greenhouse gas reductions, which must be the primary emphasis of the State's effort to divert organics from landfills through source separated collection.

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The Task Force applauds the proposed legislation's attempts to remove or reduce barriers to the development of needed infrastructures as formulated in Subdivisions 42649.86 (a) and (b). However, we would additionally recommend that the proposed legislation be expanded to include the following, which, in most part, is consistent with the recommendations of the AB 32 (2006) Climate Change Scoping Plan Update.

"The State Air Resources Board and the Department of Resources Recycling Recovery shall identify financing/funding/incentive mechanisms for in-State infrastructure development to support the Waste Management Sector's goals of the 2014 Climate Change Scoping Plan Update prepared pursuant to the California Global Warming Solutions Act of 2006. Mechanisms to be considered shall include the Cap-and-Trade Investment Plan; loan, grant and payment programs; Low Carbon Fuel Standard pathways; the Public Utilities Commission proceedings (e.g. biogas from anaerobic digestion and Renewable Market Adjusting Tariff); and offset protocols for recycling, composting, anaerobic digestion, biomass, as well as the Department's identified thermal, chemical, biological and mechanical processes."

Modify the 2019 Threshold applicable to businesses generating one cubic yard of organic waste per week

The proposed Section 42649.81(a)(3) states "On and after January 1, 2019, a business that generates at least one cubic yard of organic waste shall arrange for recycling services specifically for organic waste in the manner specified in subdivision (b)." However, we believe this threshold should be consistent with the threshold that has been established under the mandatory commercial recycling program (AB 341) for businesses generating four cubic yards of solid waste or more per week. This would eliminate confusion and possible duplication of efforts. As such, we recommend the following:

"On and after January 1, 2019, a business that generates four cubic yards of solid waste per week including at least one cubic yard per week of organic waste shall arrange for recycling services specifically for organic waste in the manner specified in subdivision (b)."

Expand criteria for delaying implementation of the "organic waste recycling program" by a jurisdiction

The proposed legislation [Sections 42649.82(h)(6)and (9)] provides for CalRecycle to consider the availability of facilities and markets for collected organic waste recyclables as factors to determine whether the jurisdiction has made a good faith effort to implement its organic waste recycling program. However, the Task Force strongly believes that jurisdictions need additional flexibility in delaying the implementation of

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their commercial organic waste recycling program if through no fault of their own, processing infrastructure and markets are unavailable to handle the influx of organics.

Unlike recyclable materials that can be stored in warehouses and/or shipped to foreign markets, storage of organic waste recyclables (including food waste) beyond one or two days becomes a significant hazard to public health and safety as well as the environment. Therefore, the proposed bill needs to be expanded to clearly address this issue and provide much needed flexibility to local governments.

<u>Provide definition of "organic waste recycling" & "organic waste recycling facility"</u>

The Task Force is concerned that AB 1826 does not define the terms "organic waste recycling" and "organic waste recycling facility." These terms should be defined to give a clear direction on available options in order to allow local governments to establish collection systems and infrastructure. We recommend the following definition for the term "organic waste recycling."

"Organic waste recycling" means programs that when implemented would reduce or eliminate the amount of organic solid waste from landfill disposal or transformation processes as defined in Section 40201."

Additionally, in all likelihood, the term "organic waste recycling facility" means a "composting" or an "anaerobic digestion" facility. However, it is not clear whether a "biomass conversion" facility, as defined in Section 40106 of the Public Resources Code, utilizing only green materials would also qualify as an "organic waste recycling facility." As such, there is a need for the proposed legislation to define the term "organic waste recycling facility."

Remove excessive program requirements

The proposed Subdivision 42649.82(d), among other things, requires programs to identify vacant parcels, existing vacant or expandable facilities, and zoning and permitting requirements and the removal of barriers to siting and/or expanding an existing "organic waste recycling facility." These requirements are one step away from forcing local jurisdictions to render their land use decision making authority to CalRecycle. Planning and land use decisions are the purview of local jurisdictions and they are the only ones familiar enough with their communities to make decisions about what types of facilities should be sited in their communities. A local program developed for a State requirement should only be required to educate and engage in outreach activities to businesses. For the same reason, the requirements stated under Subdivision 42649.82(h), Paragraph (10) need to be deleted too.

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Additionally, Subparagraph I (A) of the proposed Subdivision requires programs to identify all "existing organic waste recycling facilities within a 'reasonable vicinity' and the capacities available for materials to be accepted at each facility." The term "reasonable vicinity" needs to be defined unless it will be defined by the Department of Resources Recycling Recovery through the rulemaking process." Also, the requirements of this Subparagraph are unnecessary and not available to those jurisdictions that solid waste collection and recycling services are provided by a private waste management company/waste hauler via a contract or franchise agreement. As such, in these situations, the requirements need to be made applicable to the waste management company that is providing the service to the jurisdiction under contract or franchise agreement.

The Task Force is supportive of organic waste recycling programs and the diversion of organics from landfill disposal. Unfortunately, because of the foregoing, we are currently **opposed** to AB 1826 (April 22, 2014, version) **unless amended** to address the issues described above. However, as initially indicated, we are looking forward to working with you or your staff to discuss our concerns with a goal to reach a consensus. Accordingly, Mr. Mike Mohajer of the Task Force will be contacting your office to further discuss the concerns with you staff. In the meantime should you or your staff have any questions, Mr. Mohajer can be reached at MikeMohajer@yahoo.com or (909) 592-1147.

Sincerely,

Margaret Clark, Vice-Chair

Margaret Clark

Los Angeles County Solid Waste Management Committee/
Integrated Waste management Task Force and

Council Member, City of Rosemead

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cc: Each Member of the Los Angeles County Board of Supervisors
San Gabriel Valley Council of Governments
South Bay Cities Council of Governments
San Fernando Valley 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