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SOLID WASTE MANAGEMENT COMMITTEE/
INTEGRATED WASTE MANAGEMENT TASK FORCE
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March 31, 2011

The Honorable Christine Kehoe State Capitol, Room 5050 Sacramento, CA 95814

Dear Senator Kehoe:

SENATE BILL 771 (SB 771) RENEWABLE ENERGY RESOURCES AMENDED MARCH 22, 2011

The Los Angeles County Integrated Waste Management Task Force (Task Force) supports Senate Bill 771 (SB 771) and respectfully requests SB 771 be amended to reflect the February 18, 2011, draft proposal and include all conversion technology facilities as eligible electrical generating systems. If adopted, SB 771 would allow facilities that utilize waste gases from landfills, digesters, or wastewater treatment facilities to be eligible for incentives pursuant to the Emerging Renewable Resources Account. It would also allow fuel cells and continuous clean renewable energy resources to size the facilities to fully capture the energy potential of the source of waste gas, and not just offset part or all of the customers' load.

Current law requires the three largest electrical utilities in California (Pacific Gas and Electric Company, San Diego Gas and Electric, and Southern California Edison) to identify a separate electrical rate component to fund programs that enhance system reliability and provide in-state benefits referred to as the public goods charge. To date, 79 percent of this public goods charge has been deposited into the Emerging Renewable Resources Account within the Renewable Resource Trust Fund and used by the California Energy Commission to provide funding for research and development that would expand California's in-state renewable energy generation.

If enacted, SB 771 would enable landfills, digesters, and wastewater treatment facilities that utilize waste gas, to be considered eligible electrical generating systems and eligible for funding under the Emerging Renewable Resources Account. SB 771 would also continue to allow fuel cells and continuous clean renewable energy resources to be eligible for incentives if they elect to size the facilities to *fully* capture the energy

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potential of the source of waste gas and not just offset part or all of the customers' load. This will encourage project developers to establish facilities that most effectively and efficiently utilize the renewable energy resources available to them, rather than sizing the facilities strictly for their onsite needs.

The February 18, 2011, version of SB 771 expressly authorized continuous clean renewable resources that utilize waste gases from landfills, digesters, or wastewater treatment facilities to generate electricity to be eligible to participate in the Self-Generation Incentive Program that is administered by the California Public Utilities Commission in coordination with the California Energy Commission. The March 22, 2011, amended version of SB 771 eliminated this opportunity and instead transferred authority to the California Alternative Energy and Advanced Transportation Financing Authority to provide financial assistance. The Task Force would recommend that the language in Section 2, Subsection (a), (1) of the February 18, 2011, version be reinstated.

The Task Force would also recommend that SB 771 be expanded to include all conversion technology facilities as eligible electrical generating systems rather than the specific technologies currently identified. Conversion technologies are advanced processes that convert post-recycled residual solid waste into useful products; green fuels; and clean, renewable energy. Conversion technologies may be thermal, chemical, or biological but are not incinerators as there is no combustion of the waste. One of the primary byproducts of the conversion process is a biogas or syngas, depending on the technology, that can be upgraded into fuel, electricity, and/or other products. Conversion technologies represent one of the most effective ways to meet a variety of the State's most significant and ambitious environmental goals including the development of in-state renewable energy generating facilities and reduced dependence on landfills.

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

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If you have any questions, please contact Mr. Mike Mohajer of the Task Force at (909) 592-1147 or mikemohajer@yahoo.com.

Sincerely,

Margaret Clark, Vice-Chair

Margaret Clark

Los Angeles County Solid Waste Management Committee/
Integrated Waste Management Task Force
Council Member, City of Rosemead

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cc: Governor Jerry Brown

Senate President Pro Tempore Darrel Steinberg

Senator Sam Blakeslee Senator Lou Correa

Senator Tom Harman

Assembly Speaker John A. Perez

Assembly Speaker Pro Tempore Fiona Ma

Each Member of the Assembly Appropriations Committee

James Boyd, Commissioner, California Energy Commission

Mary Nichols, Chair, Air Resources Board

Mark Leary, Acting Director, CalRecyle

Each Member of the Los Angeles County Board of Supervisors

Each Member of the Los Angeles County Integrated Waste Management Task Force

Each Member of the Alternative Technology Advisory Subcommittee