COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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California Environmental Protection Agency
Air Resources Board
1001 I Street
Sacramento, CA 95814-2828

To Each Board Member of the California Air Resources Board:

COMMENT ON THE CAP-AND-TRADE AUCTION PROCEEDS INVESTMENT PLAN OPPORTUNITIES FOR WASTE MANAGEMENT AND RECYCLING

The County of Los Angeles Department of Public Works (County) appreciates the opportunity to comment on the Air Resources Board's Cap-and-Trade Auction Proceeds Investment Plan. This plan will set the stage for the development of new and innovative projects across the State which will further the objectives of AB 32 by reducing greenhouse gas emissions. The County is recognized as a leader in many sustainability measures, particularly related to solid waste diversion and recycling as well as waste conversion technologies, areas that are well aligned with the investment categories and goals set forth in the draft concept paper released by California Air Resource Board on February 15, 2013.

Role of Waste Reduction and Recycling in Reducing Greenhouse Gas Emissions

The concept paper prepared in support of the Investment Plan identifies increased solid waste diversion and waste-focused projects as priorities and eligible investments, and identifies renewable energy and biofuels as critical elements in the State's overall greenhouse gas emissions reduction strategy.

We fully support expanding the role of waste reduction and recycling strategies, and particularly the recovery of renewable energy and biofuels from materials that would otherwise be disposed, as a part of the revised Scoping Plan.

Los Angeles County's Conversion Technology Program

In 2004 the County Board of Supervisors initiated a four-phase program to facilitate and promote the development of conversion technologies as an alternative to the continued

landfilling of solid waste. As part of this program the County is working with many private and public stakeholders to facilitate the development of conversion technology projects. The County has vetted a spectrum of anaerobic and thermal technologies that are suitable for development within the County, and the projects being contemplated by the County with its stakeholders will employ a mix of such technologies. While anaerobic digestion and composting have received well-deserved attention and focus Statewide and have been cited in the Investment Plan's concept paper, it is important to consider that not all waste streams are amenable to processing via these methods and a wide range of technologies are necessary to deal with harder-to-handle waste streams such as construction and demolition debris and other commercial and industrial wastes.

We recommend that the Investment Plan not limit itself to any one specific technology when exploring increased diversion of municipal solid waste. The Natural Resources and Solid Waste Diversion section of the Investment Plan should take advantage of the wide range of Conversion Technologies and associated projects such as those identified by the County's Conversion Technology Program.

Conversion Technology's Contribution to Greenhouse Gas Reduction

Conversion technology projects such as those that produce transportation fuels and other forms of renewable energy can be developed now, without the need for further technological research and development. This development can help the Board meet both Early Action and Transition Phase objectives of greenhouse gas emission reductions, the recovery of materials for reuse in local economies, and green jobs. Greenhouse gas reductions will clearly benefit disadvantaged communities, as will the green jobs and materials availability that will be possible through the development of conversion technology projects. Advanced conversion technologies are available, today, and can immediately contribute to the reduction of greenhouse gas emissions in the State.

Conversion Technology Projects will include a mix of publicly and privately developed facilities, and both public and private developers can benefit from financial support in the planning and construction of individual projects. It is not an exaggeration to say that the availability of financial support, such as that proposed in the Investment Plan, will be a determining factor for many public and private developers in their ability to develop projects and, through those projects, advance greenhouse gas reduction objectives. Financial support can also be determinative in ancillary activities, such as the conversion of fleets to accept renewable fuels. Moreover, assuming the long-term availability of funding under the Investment Plan, assistance to support annual operating

costs, particularly in the early years of any conversion technology project, can substantially contribute to a project's financial viability.

By diverting waste and the recovery and reuse of waste-based products rather than continued landfilling, by reducing the distances that waste must be hauled for processing and disposal, and by employing technologies that can produce renewable energy we can significantly reduce greenhouse gas emissions. Our research and planning activities have effectively shown the contribution that environmentally sound approaches to waste management can make to greenhouse gas reduction across the State. In fact, in February 2008 your Board's Economic and Technology Advancement Advisory Committee (ETAAC) released a report entitled "*Technologies and Policies to Consider for Reducing Greenhouse Gas Emissions in California*". The ETAAC Report noted that by conservative estimates, conversion technologies have the potential to reduce annual greenhouse gas (GHG) emissions by approximately five million metric tons of CO_2 equivalent in California. In fact, we estimate the potential GHG reduction of conversion technologies may be three times greater, since conversion technologies have a simultaneous triple benefit to the environment: (1) reduction of transportation emissions resulting from long distance shipping of waste; (2) elimination of methane production from waste that would otherwise be landfilled; and (3) displacement of the use of fossil fuels by net energy (fuel and electricity) produced by conversion technologies.

Strategic and Project Planning

Support for strategic and regional planning can also be instrumental. A significant investment and resources are needed to identify potential project locations, technology providers, and waste streams long before a contractor can be engaged to design and build a facility. The Investment Plan can help provide this support in the form of funding opportunities for programs such as the County's Conversion Technology Program which provide regional support and promote the development of these greenhouse gas reducing conversion technology projects.

Conclusion

The Investment Plan can become a major instrument in the advancement of environmentally sound and economically viable greenhouse gas-reducing waste conversion technology projects in the State. The technologies are proven, and permitting pathways are now being established. We encourage the Board to recognize the direct and immediate benefits that are achievable through the development of

conversion technology facilities and to reflect that in the priorities, preferences, and investment eligibility standards that will be established in the Investment Plan.

If you have any questions, please contact Mr. Coby Skye at (626) 458-3550, Monday through Thursday, 7 a.m. to 5:30 p.m.

Very truly yours,

GAIL FARBER
Director of Public Works

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Assistant Deputy Director
Environmental Programs Division

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cc: Shelby Livingston