



## JOINT STATE OFFICE

November 10, 2015

### **VIA E-MAIL & U.S. POST**

California Air Resources Board  
1001 I Street  
Sacramento, CA 95814

### **RE: Draft Cap-and-Trade Auction Proceeds Second Investment Plan**

The California Refuse Recycling Council (CRRC) is a membership of over 100 refuse and recycling companies across the State of California committed to the advanced management of waste resources, including composting, anaerobic digestion, renewable energy production and the employment of low emission vehicles. We thank you for the opportunity to comment on the Draft Cap-and-Trade Auction Proceeds Second Investment Plan.

CRRC fully supports the development of improved organics management in California and stands ready to handle and process this valuable material. Our industry is an indispensable partner on the path to reaching State waste diversion and organics recycling goals, as well as renewable energy and transportation fuel production.

In order to achieve 75% diversion of solid waste with a 90% reduction in organics, we need to work together to ensure sustainable markets, widespread processing infrastructure and stable funding mechanisms. With fluctuating markets, varying feedstocks, legislation and impending or recently promulgated regulations, organics management will necessitate an on-going conversation with the industry, regulators and other stakeholders to identify opportunities and barriers and achieve success.

Ultimately, funding remains crucial as California invests in localized organics processing facilities. We support CARB's Short-Lived Climate Pollutant Strategy (SLCP) which outlines – at a minimum - \$100 million allocated for organics management for the next 5 years.

CRRC's September 1, 2015 letter regarding the investment plan "Concept Paper" is attached for your reference, as well as the SLCP Strategy letter which provides more detail on the barriers we must overcome in order to achieve superior organics management in California.

We thank you for your time and look forward to collaborating with you as we work together to achieve the state's laudable greenhouse gas reduction goals.

Sincerely,

A handwritten signature in cursive script, appearing to read "Kathryn Lynch".

Kathryn Lynch  
Regulatory Affairs

A handwritten signature in cursive script, appearing to read "Ralph Chandler".

Ralph Chandler  
Regulatory Affairs

Cc: Scott Smithline  
CRRC Executive Committee



JOINT STATE OFFICE

September 1, 2015

**VIA E-MAIL & U.S. POST**

California Air Resources Board  
1001 I Street  
Sacramento, California 95812

**RE: Draft Cap and Trade Auction Proceeds Triennial Investment Plan**

The California Refuse Recycling Council (CRRC) appreciates the opportunity to comment on the Cap-and-Trade Auction Proceeds Second Investment Plan (FY 2016-17 through 2018-19) Concept Paper. The CRRC is a trade association of haulers, processors, recyclers, and composters with members throughout the State of California. CRRC members have a long history of sustainable waste and recycling management, including organics processing through composting and anaerobic digestion. As such, we are active participants in the Governor's new Healthy Soil initiative. Concurrently, we continue to support climate change efforts in California through substantial investments in clean energy transportation technologies.

The CRRC wholeheartedly endorses the preliminary objectives and draft areas outlined in the overarching themes of the Concept Paper, especially as it relates to organics management. We see organics as the nexus that touches on every investment goal recommended and we applaud your support in further developing the crucial infrastructure of organics waste management in California.

As you move forward with your recommended investment projects we ask that you continue to engage across all regulatory agencies, as many directly impact the viability of organics management facilities in California. Regulatory achievements and barriers will only become more palpable as additional facilities come on-line. As such, California will need to carefully measure the effectiveness of our regulatory programs in concert with the vital goals of Cap-and-Trade investments. We look forward to working with you during this process.

Sincerely,

Kathryn Lynch  
Regulatory Affairs

Ralph Chandler  
Regulatory Affairs

cc: CRRC State Executive Committee Members



## JOINT STATE OFFICE

October 29, 2015

### **VIA E-MAIL & U.S. POST**

Richard Corey, Executive Officer  
California Air Resources Board  
1001 I Street  
Sacramento, CA 95814

### **RE: Comments on the Draft Short-Lived Climate Pollutant Reduction Strategy**

Dear Mr. Corey,

The California Refuse Recycling Council (CRRC) is a membership of over 100 refuse and recycling companies across the State of California committed to the advanced management of waste resources, including composting, anaerobic digestion and renewable energy production. The CRRC is submitting these comments in support of the Draft Short-Lived Climate Pollutant Reduction Strategy as the State works toward the essential goal of reducing black carbon, methane and fluorinated gases in order to slow global warming and lessen the impacts of climate change.

While we applaud the ambitious goal of diverting 90% organics from the landfill by 2025, our industry remains hesitant about the complex nature of managing organics effectively within such a rigorous timeline. We agree that capturing California's waste resources will take "significant amounts of infrastructure" and that markets must be fully enabled in order to take on this extraordinary effort, and thus support the concept of funding \$100 million each year for the next five years, at a minimum, to bridge the gap. However, we must remain vigilant on several fronts in order to reach our goal.

### **Permitting of Facilities**

Permitting of organics processing facilities remains the number one barrier to opening and operating facilities. As noted in the Strategy, "streamlining various governmental and utility permitting processes" is a necessary step in expanding California's organics processing capacity. The final Strategy should outline what "streamlining" will occur and how the State will work with local governments to move past this significant barrier. The Strategy must also consider the many years it can take to permit facilities at the local level and with regional differences, especially as we approach the 2025 timeline.

## **Market Development**

While demand for compost and soil amendments produced through organics processing certainly exists, the demand remains variable according to seasonal and regional needs, as well as feedstock. Mulch demand, for example, drops dramatically during the winter months. In order to process and move the material through the system – an essential component of efficient organics processing – mulch material is sometimes sent to biomass facilities where it is used to produce renewable energy. Compost overs, the woody fraction screened out during processing, is also traditionally sent to biomass facilities. However, with the recent and continued closure of several biomass facilities as more power-purchase agreements come to an end, this market throughput is rapidly becoming less viable.

Regional challenges also exist and adequate markets must be developed throughout California, not just within agricultural regions where demand for compost and soil amendments is established. Transporting material long distances is economically and environmentally prohibitive, thereby necessitating local facilities and local demand for organics processing outputs to meet our State diversion goal. The final Strategy should address regional capacity to absorb additional throughput volumes, both in terms of processing and market outputs.

Finally, feedstock is the foundation of organics processing and must be considered as we look toward improving market vitality. Harder to handle feedstocks such as food waste and manure require more heavily regulated facilities. Under the new State Water Resources Control Board General Order for example, compost operations must invest greatly in ponds, pads and groundwater monitoring as they accept “Tier 2” materials. The draft Strategy fails to address the significant cost discrepancy and implementation challenges associated with harder to handle materials.

The Strategy should focus on monitoring market challenges and regional variances in processing capacity, as well as how existing markets are being maintained through these changes.

## **Annual Review**

Organics management in California has a long road ahead with many barriers and unknowns. With new technologies, fluctuating markets and drivers, aligning economic incentives with State objectives, permit capacity, and public involvement, this process will require consistent monitoring and evaluation. The CRRC recommends and looks forward to an annual evaluation of the organics recycling infrastructure in California and a public conversation on how to meet our crucial goal.

Sincerely,



Kathryn Lynch  
Regulatory Affairs



Ralph Chandler  
Regulatory Affairs

cc: Scott Smithline  
CRRC State Executive Committee Members