



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