

Sustainability in Action

August 27, 2024

The Honorable Liane Randolph Chair, California Air Resources Board 1001 | Street Sacramento, CA 95814

RE: Proposed 15 Day Changes to the Low Carbon Fuel Standard Regulation

Dear Chair Randolph and Members of the Board:

Thank you for the opportunity to comment on the 15 Day Changes to the Low Carbon Fuel Standard (LCFS) Regulations. CARB staff and Board Members have placed a great deal of time and effort into this version of the regulations. We greatly appreciate their availability and willingness to hear viewpoints from various stakeholders. Our comments are relative to two segments of the regulations that address organic waste feedstock and verification requirements for electricity transactions.

Section 95488.8 - Organic Waste Fuel Pathway Application Requirements

The Summary of Proposed Modifications on Page 11 notes that the draft regulations seek to clarify that only the organic portion of municipal solid waste diverted from landfill disposal is considered a specified source feedstock. Republic Services agrees with this approach and realizes that residential and commercial organics collected at the curb or otherwise delivered to material recovery, digestion or composting facilities are often highly contaminated with non-organic materials (ie. plastics).

Edits to the definition of Food Scraps attempt to take this clarification into account but as a result may eliminate certain types of entities that generate Food Scraps and may not address the issue of plastic contamination in the manner described in the Summary of Proposed Modifications. Further there has been a definition added to the regulation relative to Recovered Organics. This definition is narrow in that there are other sources of organics that don't necessarily flow through the facilities noted in the draft text.

To assist in addressing this comment, Republic has included some draft text that we believe meets the intended outcomes noted in the Summary of Proposed Modifications. The edits to the definitions incorporate changes put forth by CARB in the draft regulation. Republic's edits are as follows with suggested text additions in red and underlined.



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"Recovered Organics" is the organic fraction of municipal solid waste that is <u>collected separately or</u> <u>otherwise</u> manually or mechanically separated from the waste stream, typically at a materials recovery facility, <u>digestion facility</u>, <u>compost facility</u> or transfer station.

These edits serve to incorporate the varied sources of organics that may be used for feedstock as the sole origin of organic material may not be through processing of MSW. The deletion of the Organic Material definition in the draft text would seem to necessitate a broader definition in this regard.

"Food scraps" is the portion of municipal solid waste (MSW) that consists of inedible or post-consumer food collected from <u>locations which include but are not limited to</u>, residences, <u>commercial and industrial businesses</u>, hospitality facilities, institutions and grocery stores. Feedstocks that are not typically landfilled do not qualify as Food Scraps, which include fats, oils, or greases (FOG), and liquids at the point of collection. <u>The portion of material that is plastic and other contamination commingled within Recovered Organics does not qualify as Food Scraps</u>.

The edits are intended to broaden the array of sources that Food Scraps may be generated from. The last sentence within the revised definition was added to clearly address the issue noted on Page 11 of the Summary of Proposed Modifications (ie. Modifications to Section 95488.8 Fuel Pathway Application Requirements – subsection 2). Relative to this issue, these edits should assist in avoiding confusion as to whether any contamination contained within organic material would void all of the organic material from being an eligible feedstock. Our extended experience with organics collection programs indicates that contamination of all types in the organic streams will be present (source separated or processed from MSW). While we recognize CARB's intent to not include the contamination to be counted as feedstock, we do not want the entire stream of organic material voided as a feedstock due to the existence of contaminants in the Food Scraps.

Text has been included in the draft regulations that references Specified source feedstocks. Relative to organic materials, Section 95488.8(g)(1)4 includes in eligible feedstocks "The organic portion of municipal solid waste that is diverted from landfill disposal". This reference further reinforces the concept of only organic portions of municipal solid waste being eligible as a feedstock for a fuel pathway. However, the above edits included in the definition of Food Scraps may provide clarity to the intended outcome noted by CARB in the Summary of Proposed Modifications as noted herein.

The deletion of the text relative to "materials from industrial food manufacturing or processing" is proposed because in some instances, this material is still being landfilled yet may be a viable feedstock for digestion or composting and thus an organic feedstock under the LCFS regulation.



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Section 95500(c)1E - Verification of Quarterly Fuel Transaction Reports for EV Pathways

Review of the draft regulation and subsequent discussions with CARB staff indicated that Less Intensive Verification methods for electricity transactions are already built into the regulation (last section (h) on Page 304). We appreciate CARB staff pointing this language out to us as it addresses our comments included in our February 2024 comment letter on the 45 day draft regulation. The definition of Less Intensive Verification Services is fairly descriptive, but we are assuming providing two-way access to data or submittal of reports from the software systems utilized by the charging infrastructure will suffice. Please advise if that is not the case or provide more description of the level of detail that may be required.

Regards,

Michael Caprio

Director Government Affairs - CA

Michael Caprio