WATER RECLAMATION
SOLID WASTE MANAGEMENT

COUNTY SANITATION DISTRICTS
OF LOS ANGELES COUNTY

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Chief Engineer and General Manager

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Ms. Lisa Williams
Staff Lead
California Air Resources Board
P.O. Box 2815
Sacramento, California 95812-2815

Dear Ms. Williams:

Comments on Proposed Regulation for Energy Efficiency and Co-Benefits Assessment of Large Industrial Facilities

The Sanitation Districts of Los Angeles County (Sanitation Districts) appreciate this opportunity to comment on CARB's Proposed Regulation for Energy Efficiency and Co-Benefits Assessment of Large Industrial Facilities. The Sanitation Districts provide environmentally sound, cost-effective wastewater and solid waste management for about 5.7 million people in Los Angeles County and, in the process, convert wastes into resources such as reclaimed water, energy, and usable recycled materials. The Sanitation Districts' service area covers approximately 800 square miles and encompasses 78 cities and unincorporated territory within the County through a partnership agreement with 23 independent special districts. The Sanitation Districts have also played a significant role over the years reducing air emissions and developing many state-of-the-art emissions controls and programs for our solid waste management and wastewater treatment operations that are now industry standards.

The Sanitation Districts support the goals of the proposed regulation: increasing energy efficiency at large industrial facilities and, thereby, potentially reducing greenhouse gas, criteria pollutant and air toxic contaminant emissions. The Sanitation Districts have always strived to improve the air quality emissions resulting from wastewater treatment and solid waste operations while maintaining state-of-the-art facilities. Long before global warming became such a popular news topic, the Sanitation Districts were undertaking energy production and efficiency increases as a result of the common sense approach of our Board to provide economically sound environmental benefits. This early thinking translated into the development of an extensive

waste to energy infrastructure that directly offsets purchased utility power while utilizing our renewable fuel sources. This greatly reduces the greenhouse gases and other criteria pollutant emissions from the fossil fuels that the utilities would otherwise burn to provide the same power, and saves our ratepayers millions of dollars each year.

We do have some concerns with the proposed regulation, which are outlined below:

Biogenic vs. Anthropogenic CO_2 Emissions

The Proposed regulation makes no distinction between biogenic and anthropogenic CO_2 emissions. Biogenic emissions from carbon-neutral fuel combustion are part of the natural "short-term" carbon cycle that do not add new carbon to the atmosphere but rather just return it to where it originated, and generally do not count towards regulatory requirements. Furthermore, a large portion of the CO_2 emissions from facilities utilizing landfill gas in combustion activities come from the "pass-through" CO_2 that is inherently part of landfill gas formation. This CO_2 is formed during the decomposition of organic waste buried in the landfill, and can comprise as much as 50 percent of the landfill gas produced. Unless CARB provides this distinction, sources whose CO_2 emissions are largely biogenic, such as landfills with associated landfill gas fueled electricity generation facilities, could trigger the 0.5 million metric ton CO_2e threshold established as part of this proposal.

The Sanitation Districts recommend that CARB only require that anthropogenic stationary emissions count towards the large industrial facility applicability threshold. This approach is consistent with both proposed federal and state regulations for reducing greenhouse gases. Biogenic emissions have been excluded from regulation in all major GHG regulatory programs implemented to date around the world. For example, USEPA's Mandatory Reporting Rule states, "The calculation of total emissions for the purposes of determining whether a facility exceeds the threshold should not include biogenic CO_2 emissions (e.g., those resulting from combustion of biofuels)." Also, the recently proposed California cap and trade program preliminary draft rule under AB 32 excludes the biogenic emissions from biomass (including biogas). Additionally, Chapter 6, page 6.6 of the 2006 IPCC Guidelines for National Greenhouse Gas Inventories contains the statement, "Carbon dioxide emissions from wastewater are not considered in the IPCC Guidelines because these are of biogenic origin and should not be included in national total emissions." Finally, in the WCI Design Recommendations, it states, "Carbon dioxide emissions from the combustion of pure biofuels, or the proportion of carbon dioxide emissions from the combustion of biofuel in a blended fuel (e.g., B20 or E85), are not included in the cap-and-trade program, except for purposes of reporting."

Reporting of Emissions Associated with the Generation of Electrical Power Used that is Obtained from an Outside Source

The proposed regulation calls on facilities to report the CO_2e "emissions associated with the generation of electrical power used that is obtained from an outside source," but provides no

methodology to derive these emission values. The implication in Section 95135(a)(1) of the proposed regulation is that the reporting submitted by a facility operator to comply with the CARB Regulation for the Mandatory Reporting of Greenhouse Gas Emissions will allow the facility operator to develop a "cumulative total" of CO_2e emissions to compare to the proposed 0.5 million metric ton CO_2e threshold. However, only the electricity usage (and provider) is reported in the CARB Mandatory Reporting program, not the emissions associated with the generation of this electricity. A methodology and up-to-date emission factors to calculate these associated emissions should be provided, such as the one presented in Chapter 6 of the California Climate Action Registry General Reporting Protocol.

The Sanitation Districts appreciate the opportunity to comment on the proposed Regulation.

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