AB 1045 (Irwin, 2015) was passed over three years ago to assess the state’s progress in developing the required compost infrastructure, assisting in developing the compost industry through permit coordination, and promoting compost use. CalEPA was put in charge with California Department of Food and Agriculture to meet quarterly, develop recommendations and post them on their website no later than January 1, 2017, and update annually thereafter to 2021. It’s AB 1045, and CalEPA just posted up a 29 page report that restates the obvious in the compost world without breaking down the silos.

Meanwhile, departments and boards are issuing reports from their silos with substance. The State Water Board issued a Report on October 2018 on the implementation of the General Waste Discharge Requirements for Composting Operations, Order WQ 2015-0121 where 116 compost facilities have enrolled represent about 84% of the market. If all existing potential Tier II composting operations installed engineered concrete pads, ponds, and drainage conveyance, the statewide capital investment could be as much as $450 million. The CAPCOA discussion paper – Addressing Air Quality Permitting and Regulatory Issues for Expanding Infrastructure – notes the need to purchase VOC emission reduction credits (ERCs) to offset the point source increases in VOC emissions from new or expanded compost where there is limited availability of ERCs in some air districts. Each 60,000 tons per year facility could cost over $15 million dollars resulting in billions of investment.

The California Compost Coalition calculated CASP emissions from the mandated new facilities spread around the Districts, and when compared to the landfilling baseline conditions, composting should not be considered a new source. ERCs could costs approximately $54 million in offset costs while reducing VOCs by almost half from baseline landfill conditions. Compost facilities should be considered an essential public service since VOCs are cut in half and should not bear the costs of ERCs, or have cap-and-trade dollars pay for ERCs since composting is one of the most cost-effective GHG reduction strategies.

CalRecycle has posted the AB 876 compost capacity calculator and is ready to release the SB 1383 Infrastructure and Market Analysis, along with a SB 1383 regulations for local government to actually procure compost. In May 2018, the Concept Paper – California 2030 Natural and Working Lands Climate Change Implementation Plan was released and the USDA developed the COMET-Planner, but where is the irrigated cropland compost use goal of doubling down by 2025 to accommodate SB 1383 organic waste diversion?

Since AB 1045 was passed, CARB adopted the 2017 Scoping Plan on Dec. 14, 2017. This is the third update of the Scoping Plan with the California Compost Coalition was successful in placing organic waste and compost in all seven sectors (see Table 16 insert). Note the importance of the cross-sector relationships that organic waste can deliver for transportation fuels and renewable energy for industry, what compost can provide for water savings, for healthy soils to sequester carbon, and the use of compost on our Natural and Working Lands.

The Legislature adopted three new laws regarding compost this year, using the recent wildfires and drought to make their point. AB 1981 was adopted to add CalFire to the list of agencies for implementation of AB 1045, that stalled out years ago. AB 2062 and AB 2411 were passed to add drought tolerant and climate-appropriate vegetation on Caltrans right-of-ways, as well as for erosion control on fire ravaged lands, on top of the Caltrans compost use statute from 1991 that has only garnered 40,000 tons per year of compost use, just 1% of the market.

With the new administration, its 10:45 and we need to tell them where our compost is. It’s siloed in the reports and studies by the Water Board, the Air Districts, and CDFA. CARB scoped compost and organic waste out in all sectors weaving an AB 32 story that CalEPA needs to cross silos and designate compost facilities as an essential public service to make SB 1383 work to mitigate climate change. 'Damn the torpedoes, full steam ahead!', and damn the silo mentality as cross-sector solutions are here with compost.
Breaking Out of the Silos in 2019!

The departments have prepared new policy documents, assessments, discussions drafts, and models, all staying in their own silo. Finally, at press time, CalEPA releases their long-awaited report, *Enhancing Organic Materials Management by Improving Coordination, Increasing Incentive & Expediting Decision-Making*, just in time for the new Administration and new 2019 legislative session. The most important concept of designating compost facilities as an ‘essential public service’ is not even mentioned by CalEPA, which would be the solution to complex air permitting by allowing a net-benefit of diverting organic from landfills to be fully realized.

Every year at this time, CCC staff and our Executive Committee set our policy agenda for the coming year. Over the past several years the Governor has signed into law a number of bills with mandates and goals limiting the landfilling of organic material, with some lessor efforts to help develop markets and infrastructure. Spurred by landmark climate change legislation, with organic waste recycling requirements in AB 341 (2011), AB 1826 (2014), AB 1594 (2014), and SB 1383 (2016), California has amplified its commitment to conserve resources and cut methane and other GHG emissions.

While CalRecycle continues its quest to conclude the regulatory process dictated to them under SB 1383, targeting a 75% reduction of organics disposal by 2025 with requisite, aggressive actions that many find to be daunting, we now face the challenge of meeting these goals. To this end, CCC will be working closely with the Legislature, regulatory agencies, local governments and other stakeholders to implement the laws that are already in place. We see three primary elements that will be necessary for success: implementation of funding mechanisms to develop infrastructure, implementation (of existing regulatory controls on feedstock streams and market development measures), and…wait for it…implementation (of monitoring/measurement/feedback systems to inform progress and make savvy adjustments). As mentioned here elsewhere, stabilizing the permitting process would be helpful.

During 2018, incrementally helpful bills were enacted: AB 1933 (Maienschein), putting into statute authorization of organics infrastructure development funding from cap-and-trade proceeds; AB 1981 (Limon) and AB 2411 (McCarty), intended to benefit markets for compost application and to better coordinate agency oversight of organics operations; all additional measures to implement.

On December 6, the CCC team will meet in Sacramento to solidify our policy direction, considering the following potential issues:

- Development of workable SB 1383 regulatory language;
- Funding for organics processing infrastructure and healthy soils from Greenhouse Gas Reduction Funds or other options, including a landfill tip fee surcharge;
- Land application enforcement – funding for compliance with CalRecycle, Department of Food and Agriculture, and State Water Resource Control Board regulations all designed to protect the environment and farmers from contamination and invasive pests, among other concerns;
- Continued enhancement and implementation of CDFA’s Healthy Soils Program;
- Implementation of AB 901 reporting regulations;
- Prepare a statewide public affairs insert on compost issues; and
- Make AB 1045 really happen with permit coordination and breaking the silos.
### 2017 Scoping Plan Update

**Table 16: Cross-Sector Relationships**

<table>
<thead>
<tr>
<th>Sector</th>
<th>Example Interactions with Other Sectors</th>
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<tbody>
<tr>
<td>Energy</td>
<td>• Hydroelectric power, cooling, cleaning, waste water treatment plant (WWTP) bioenergy                                                                                  • Vehicle-to-grid power; electricity supply to vehicle charging infrastructure                                                             • Biomass feedstock for bioenergy, land for utility-scale renewable energy (solar, wind)            • Agricultural waste and manure feedstocks for bioenergy/biofuels                                                                 • Organic waste for bioenergy</td>
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California's 2017 Climate Change Scoping Plan

Executive Summary

The strategy for achieving California's 2030 greenhouse gas target