



# CALIFORNIA COMPOST COALITION



December 2019 | Volume 6, Issue 12

Sustainable Organics Recycling

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## Deep Carbon Now with SB 1383

*“In the year 2525, if man is still alive, If woman can survive, they may find...”* that they met most of their 2020 goals. The year 2020 was once this far away time and space if man could have possibly survived Y2K. California kicked off 2019 planning to be diesel pollution free by 2030 and carbon neutral by 2045. The year 2019 fluffed up 2020 as we lost sight of the cost-effective near-term proven programs such as the heavy-duty, Near-Zero, carbon-negative fleet for the perceived perfect long-term concept of total electrification. The 2019 vision looked past the obvious as the industry fell on The Sword, torched by Woodageddon, and was thrown under the electrical bus.

California met the 2020 greenhouse gas reductions goals during 2016, and then set a trajectory in 2019 to meet the 40% reduction by 2030 and 80% by 2050. Greenhouse gases on a per-capita basis are down 38% since 2001, as the gross domestic product rose 41% with jobs and the environment. Recent data from CARB also indicates that the State’s Low Carbon Fuel Standard (LCFS) shows fuel producers are in 100% compliance with the LCFS, getting ready to reach 7.5% less carbon intensity by 2020 and 20% less carbon intensity from a 1990 base year by 2030. Nearly 120 million gallons of diesel were displaced by renewable natural gas (RNG) per year. Even with this success, CARB proposed to cut out Near-Zero NOx CNG engines, with in-state RNG use, from the Near-Zero vehicle definition in the proposed Advanced Clean Truck Rule.

California reached the Renewable Portfolio Standards (RPS) of 33% renewable energy by 2020 during 2018, even with biomass energy being squeezed out. With 18 million more trees dying each year, there should be a role for bioenergy, as we gear up to meet the goals of 44% by 2024, 52% by 2027, 60% by 2030, and 100% by 2045. The urban sector lost 700,000 tons of wood waste capacity in 3 years as 2.6 million new tons of wood waste need to be diverted by 2022, and 4.15 million tons by 2025 to meet the fair share SB 1383 targets.

Mainly due to the China Sword and Woodageddon, the statewide recycling rate slipped from 50% in 2012 to 41% in 2018 and will go down below 40% in 2020, missing the AB 341 goal of 75% by 2020. SB 1383 implementation with the persistent regulatory development in 2019 will need to turn that around. In the year 2020, *‘I’m kinda wonderin’ if man is gonna survive, He’s taken everything this old earth can give, And he ain’t put back nothing.....*

# 2019 TOP 10 STORIES

## 10 : AB 901 LAUNCH

After 1,130 comments and several years since AB 901 was passed, in 2015, the Recycling and Disposal Reporting System (RDRS) started up after many delays, and required disposal facilities to submit Q3 2019 reports by December 31, 2019, while the submittal deadline for recycler/composters, broker/transporters and transfer/processors ended on November 30, 2019. The final weeks of the first RDRS reporting period was rough, as expected. CalRecycle staff was slow to respond to reporting entity requests for assistance, and a number of issues remained in the reporting system. This will take years to streamline and true-up. Those who were land applying green waste began to worry about being accountable, and we get to find out what is happening to 700,000 tons of wood chips that once went to biomass energy.

## 09 : GREEN WASTE ADC

Twenty-three years and 40 million tons later, green waste as alternative daily cover (ADC) will not count as AB 939 diversion on January 1, 2020. With 1.3 million tons per year still being used and Orange County at 2,000 TPD of ADC, the narrative of lack of capacity and markets resurfaced. CalRecycle provided the [SB 1383 Infrastructure Report](#) in 2019, demonstrating there are over 4 million tons of permitted capacity now and a [Department of Food and Agriculture report](#) plans on 7.5 million tons per year of new agricultural markets by 2030. Green Waste ADC can still be used, but will not have to pay the \$1.40 per ton fee. ADC did count as new tons in the CalRecycle grant process. Local jurisdictions had to file Annual Reports in 2018 and 2019 identifying ADC issues, which should be agendized.

## 08 : WOODAGEDDON

With 149 million dead trees and devastating forest fires, Governor Newsom barks: "This can't be the new normal!" Woodageddon continues to hit California hard. AB 144 (Aguiar-Curry) would have created an Organics Scoping Plan on what to do with urban, forestry, and agricultural biomass, and to provide incentives in an integrated manner, but failed to advance. With SB 901 (Dodd) there are four years left on contracts with forestry feedstock preferences, squeezing out urban waste, with another 130,000 tons lost in 2018 to total a loss of 700,000 tons in 3 years. Newsom did pass a \$21 billion wildfire welfare bill, offering the State's big investor-owned utilities a lifeline against bankruptcy. With that bail out, PG&E should have been required to implement the Bio-MAT program aggressively for community-scale gasification.

## 07 : EDIBLE FOOD RECOVERY

CalRecycle approved awards for 36 different edible food reduction and recovery grants. These grants, which fund a variety of food kitchens, food banks, and rescue networks amount to a total of \$11,263,671, and have been proven to be cost-effective and to provide a direct benefit to disadvantaged communities. SB 1383 requires that 20% of edible food be recovered by 2025. CalRecycle will be adopting **Article 10 – Jurisdiction Edible Food Recovery Programs, Food Generators, and Food Recovery**. Jurisdictions shall implement an edible food recovery program, which may be funded through franchise fees, local assessments, or other funding mechanisms. There will be required recordkeeping and reporting for jurisdictions.

## 06 : BAAQMD RULES

The BAAQMD began developing new rules (13-2, 13-3, and 13-4) to address emissions of methane and odors from facilities processing organic materials in the Bay Area. These rules will impede the development of SB 1383 infrastructure. CCC filed extensive comments and created Talking Points for the industry. With over 75 comments received, BAAQMD decided to bifurcate and defer the rules. The proposed compliance schedule is impossible to achieve for a majority of facilities. Allowing for a 6 year time period to implement, like the General Order for Composting Facilities, a multi-year phase-in is being requested. CCC has previously been involved with the rulemaking in the SCAQMD and SJVAPCD; BAAQMD rules are more restrictive than those implemented in these more impacted air districts.

## 05 : 41% AND DROPPING

The amount of exported recyclable material dipped from 22 million tons in 2011 to 15.4 million tons in 2018. Landfill disposal went up almost 10 million tons. The statewide recycling rate fell from 50% in 2012 to 42% in 2017, and is expected to drop another 1 point in 2018 to just 41%. With residual rates much higher at MRFs and landfilling way up, an additional 2 million tons per year each year is disposed. The statewide recycling rate will be under 40% in 2020 and maybe as low as 33%, far from the goal of 75%. The AB 341 Report to the Legislature needs to be updated. Meanwhile, CalRecycle has been enforcing AB 341 in good faith along the way, propping up programs. AB 1583 (Eggman) created a Recycling Commission to stop the drop, which includes SB 1383 new tons.

## 04 : HEALTHY SOILS

The [January 2019 Draft California 2030 Natural and Working Lands Climate Change Implementation Plan](#) was released. After two years, the State finally included CCC metrics to double down on compost and mulch use by 2030 and made compost application a priority. Compost application on irrigated croplands is being targeted, adding 31,000 to 62,000 acres each year to 2030, and mulching over cropland also increasing at 10,400 to 20,800 acres per year. Cap-and-Trade revenues increased from \$5 million to \$28 million. New research shows soil could act as a huge carbon sink to help balance out greenhouse gases by holding up to three times as much carbon as is found in the atmosphere. The COMET-Planner was developed by the USDA to model the use of compost with 5 metric tons of carbon set to be reduced by 2030.

## 03 : CHINA SWORD

The statewide recycling rate could go as low as 33% in 2020 should China ban all recyclable paper and plastic exported in 2017. CalRecycle has mounted a \$12.8 million recycling outreach campaign to assist in cleaning up the feedstock and is providing resources to assist cities and counties in maintaining a diversion rate to at least comply with AB 939. The industry is adjusting to the new normal with technology, generator education, and rate increases. AB 1583 (Eggman) will set up a Statewide Commission on Recycling Markets and Curbside Recycling to elevate the issues and recommend solutions. AB 1583 also extended CAEATFA another 5 years to exclude sales taxes on recycling equipment and spur domestic remanufacturing.

## 02 : SB 1383 REGS

Rumors propagated in early 2019 that SB 1383 would be rolled back as program development was stalling. Even though Governor Brown had vetoed a bill in Sept. 2018 that could have infringed upon SB 1383 and Governor Newsom had implemented SB 1383 like programs in San Francisco when he was Mayor, many wanted to be in denial of SB 1383. With the persistent work of CalRecycle throughout 2019, regulatory certainty will occur when the SB 1383 regulations are adopted in Jan. 2020, giving local government and the industry two years until they become effective. Given the massive infrastructure required for SB 1383, additional funding is needed. Beyond the \$17 million in Cap-and-Trade revenue, the CEC quit funding AD facilities and tip fee reform efforts continued to be rejected again within AB 1583 (Eggman) this year.

## 01 : PLASTICS SB 54/AB 1080

Plastics emerged as the scourge of the world in 2019, as the China Sword exposed many dirty industry lies. SB 54 and AB 1080 attempted to source reduce and recycle 75% of single-use packaging sold or distributed in California by 2030, and develop criteria to define recyclable and compostable. Specific language was inserted into these bills to ensure that organic labeling for compost is not compromised and that bulk compost is safe from the by-products of packaging. The compost industry is not the panacea to accommodate the greenwashing attempts of the packaging industry or to dump on composters instead of China. SB 1355 regulations are moving forward on state-owned food service facilities and should be accelerated and used as the model to define 'compostability'.

## SB 1383 REGULATIONS GOING TO OAL

The California Department of Resources, Recycling and Recovery (CalRecycle) will be ready to submit the Final SB 1383 Rulemaking Package to Office of Administrative Law (OAL) by mid-January 2020. CalRecycle needs to adopt the SB 1383 regulations and transmit the regulatory package to OAL within one year from posting the Notice of Proposed Action in the California Regulatory Notice Registry which occurred on January 18, 2019. Once submitted, OAL has 30 working days to conduct a review of the rulemaking record to ensure the CalRecycle satisfied the requirements. After OAL approval, the rulemaking action is filed the Secretary of State. By February 28, 2020, SB 1383 rules will be officially in place and ready to be effective on January 1, 2022.

CalRecycle is required to develop technical documents for the formal rulemaking package which included the Text of the Proposed Regulations, the Notice of Proposed Action, the Initial Statement of Reasons, and the Economic and Fiscal Impact Statement.

**Regulatory Text:** The October 2, 2019 text was the third formal version and was released for a final 15-day comment period to October 18, 2019. CalRecycle will make the final tweaks to the Regulatory Text, approve them by mid-January 2020 and issue the Final Statement of Reasons to OAL.

**Updated Technical Documents and Appendix to The SB 1383 Short-Lived Climate Pollutants (SLCP) Regulations** was released on November 26, 2019, with a comment period to December 13, 2019. CalRecycle has released an Appendix to the Initial Statement of Reasons assessing the costs associated with the revisions to the regulation, revising the methodology used to estimate the costs of regulatory provisions in response to stakeholder comments.

**Final EIR:** CalRecycle posted the Final Program Environmental Impact Report on December 18, 2019, waiting certification with the adoption of the regulations. Public comments were due on Sept 13, 2019 after the August 20, 2019 public meeting.

After 3 years of Workshops and a herculean effort by CalRecycle staff, SB 1383 regulations will officially on the books by Feb. 28, 2020, and will change the industry forever.

### The California Compost Coalition

is a registered Lobbying Coalition with the Fair Political Practices Commission (FPPC), created in 2002 by a group of compost operators in response to demands for increased recycling of organic materials & production of clean compost, bioenergy, anaerobic digestion, renewable natural gas, and biochar.

#### CCC Members

Agromin  
American Refuse  
Atlas Disposal  
Burrtec Waste Industries  
Caglia Environmental  
California Waste Recovery Systems  
California Wood Recycling  
CleanFleets.net  
Clean Fleets Advocates  
Clover Flat Compost  
Cold Canyon Compost  
GreenWaste Recovery  
Marin Sanitary Service  
Mt. Diablo Resource Recovery  
Napa Recycling Compost  
Northern Recycling Compost  
Phoenix Energy  
Quackenbush Mt. Compost  
Recology Blossom Valley Organics  
Recology Feather River Organics  
Recology Jepson Prairie Organics  
ReFuel Energy Partners  
Soiland Co, Inc.  
Sonoma Compost  
Trillium CNG  
Tracy Material Recovery Compost  
Upper Valley Recycling  
Vision Recycling  
Zanker Road Resource Management  
Z-Best Compost Facility  
Zero Waste Energy Development  
Zero Waste Energy, LLC

#### CCC Executive Committee

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Monica White, Sustainability Advisor  
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#### CCC Legislative Affairs

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## 0+ : NEAR-ZERO NOX FLEET

The Near-Zero (NZ) NOx natural gas engine by Cummins-Westport was the first midrange engine in North America to receive emission certifications from both the U.S. Environmental Protection Agency (EPA) and the California Air Resources Board (CARB) for meeting the 0.02 g/bhp-hr optional Near Zero NOx Emissions standards for heavy-duty truck, urban bus, school bus, and has refuse applications. Past Near-Zero fleet legislation and policies have been built around this engine with a phase-in using in-state renewable natural gas (RNG) that can be produced by the SB 1383 organic waste stream. CARB began ACTing out against this NZ-RNG platform by curtailing HVIP funding and then defining it out of the Near-Zero definition in the proposed Advanced Clean Truck Rule, in favor of total electrification. A large coalition actively worked to try to restore funding and define Near-Zero in regulation and legislation to include the NZ-RNG fleet that can fulfill the goals of SB 1383, obtain huge greenhouse gas reductions now, and significantly reduce NOx. Both the SCAQMD and the SJVAPCD have endorsed this NZ engine to meet near-term goals, instead of waiting until 2045 to be carbon neutral.

## 00 : NET-ZERO EMSSIONS

CARB adopted the AB 32 Scoping Plan Update in 2014 that required the Waste Sector to have Net-Zero greenhouse gas emissions by 2035. To achieve Net-Zero, the direct GHG emissions from transportation fuel and electricity use would have to be fully offset by avoided GHG emissions. Avoided GHG emissions are reductions in life-cycle GHG emissions that would occur because waste is shifted from landfilling to alternative non-disposal pathways.

Waste Management Inc. released their [Sustainability Report](#) this year, stating they are 3 times Net-Zero and in 20 years will be 4 times Net-Zero, counting landfilling as carbon sequestration (which is not recognized by CARB). Many CCC members are 15 to 20 times Net-Zero Now, as verified by The Climate Registry, and could be Net Zero Infinity by 2030, without counting landfilling as sequestration.

## 0- : CARBON NEGATIVE FUEL

Cal-EPA is spending \$3.0 million in 2019 and 2020 on a Vehicle Emissions Study to identify methods to achieve carbon neutrality by 2045, and a Fuel Study to determine alternatives to petroleum and natural gas by 2045. CARB and CEC are clamoring for Deep Carbon studies and programs to be carbon neutral by 2045 and favoring total electrification. The refuse sector is Net-Zero Emissions Now and producing Carbon Negative Fuel Now to be used in Near-Zero NOx fleet, and will be increasing in-state RNG production to achieve SB 1383 goals.

The refuse fleet is winning the race to Deep Carbon Intensity, with fuels being produced from anaerobic digestion that are minus 22.9 to minus 100 on the carbon scale (that will need Tier 2 verification). Dairy biomethane could be as low as minus 592.68 carbon intensity (under CARB review now). CARB needs to reward Deep Carbon programs now and not wait until 2045. The Deep Green State of California is letting 2045 climate change policies get in the way of greenhouse gas emissions reductions today. The latest Intergovernmental Panel on Climate Change Report stressed that just over a decade is all that remains to stop irreversible damage from climate change. We are going Deep Carbon Now, with Net-Zero facilities, and carbon negative fuel.