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2019 SPECIAL EDITION

Sustainable Organics Recycling

THE ORGANICS BIN IS MIGHTIER THAN THE SWORD

The China Sword exposed many dirty lies of the plastic industry, the wishful recycling practices of consumers, and the inability of California to permit domestics re-manufacturing capacity. Recycling markets have been in a free-fall, while losing redemption centers, from a 50% statewide recycling rate in 2012 to 42% in 2017 and may drop to 33% in 2020. The Legislature has been in hyper-spin with a super-majority and a new Governor, buzzing with activity but not the outcomes to turn the export ships of mixed plastics and paper from going into our landfills. Homelessness, fires, black-outs, education, affordable housing, and drinking water pollution captured the interests of the Capitol, as 'recycling' lost its luster and 'greenhouse gases' became another buzz word.

Waste Dive reported on all of the good bills that passed this year, and it was very productive in advancing extended producer responsibility for carpet and mattresses, providing access to recycling containers, good-faithing dual-stream, reducing hospital plastic, and reusing containers. The Governor threw a \$5 million lifeline to a sinking Bottle Bill program and created a Recycling Commission. However, there was no significant legislation or Bale Out in 2019 to address the endemic problems that recycling will be facing in 2020. There were three legislative attempts to plan, incentivize, and fund recycling for the next five years (AB 144, SB 667, AB 1583), but two were left in Committee; with AB 1583 being able to extend the sales tax exclusion for recycling equipment for another 5 years, but abandoned any hopes for a generator fee or landfill tip fee increase.

The China Sword is sucking the recycling out of the room and diverting resources to pay for the increase costs of processing the blue bin, as the cost of the organics bin will significantly increase to implement SB 1383. With millions of tons of new food waste and green waste needing to be diverted, the composting industry is also facing how to deal with the more

problematic food-soiled paper, and now bio-plastics and compostable packaging that will be foisted on the compost industry. With SB 54 and AB 1080 becoming two-year bills, CalRecycle can now accelerate the SB 1335 regulations and publish a list of approved food service packaging types for state-owned facilities that could roll over to private operations. Specific language has been inserted in SB 54/AB 1080 to address the definition of compostability and also ensure that our organic labeling is not compromised and that the bulk compost is safe from the by-products of packaging.

Recovered Organic Waste Products have regional markets for current tons and will soon have local government procurement SB 1383 requirements for the millions of new tons. A ton of organic waste can produce 0.58 tons of compost and can be used on parklands and vast agricultural fields. Over 100,000 acres of parklands and 1.0 million acres of irrigated cropland await compost applications to reduce water use and increase organic matter to create healthy soils. A ton of organic waste can produce 21 diesel gallon equivalents of renewable natural gas (RNG) and can fuel the entire refuse and recycling fleet. Much of the refuse industry has already transitioned off of diesel far before Governor Newson's 2030 diesel pollution phase out and into a CNG fleet that uses RNG and/or will produce their own RNG. CARB needs to keep their commitment to fund this transition by funding the HVIP program. A ton of organic waste can produce 650 kW-hrs of renewable energy and fulfill the community-scale BioMAT contracts within a micro-grid that keeps the lights on when PG&E can't.

The compost industry is not the panacea to accommodate the greenwashing attempts of the packaging industry or to dump on us instead of China, and the compost industry is not beholden to China markets. The Organics Bin is mightier than the Sword.

SPECIAL END OF SESSION EDITION









Legislative Reviews of 2019

REFLECTIONS

by: Justin Malan

We started 2019 with a new Governor, a new two-year session, the largest state budget over \$200 billion dollars and a bullet-proof Democratic super-majority. A record number of bills were launched in 2019, but the same rough number of just over 1,000 reached the Governor's desk and about the running average of 16.5 percent were vetoed by October 13, 2019.

Earlier in the year, CCC helped to secure \$28 million in Greenhouse Gas Reduction Fund dollars for the Health Soils Initiative and we co-sponsored AB 144 (Aguiar-Curry) which sought to have the Strategic Growth Council develop a comprehensive game plan for organics recycling and management in the state. Lackluster support and high cost estimates from the Administration nixed AB 144 in its first fiscal committee and our focus shifted to a much more modest SB 667 (Hueso) which called for CalRecycle to prepare an investment strategy to meet our organic recycling goals. This fared no better than AB 144.

Of the 40 plus bills that CCC originally tracked, half had withered on the vine by mid-summer. We continued to support a handful of bills including the ambitious SB 54/AB 1080 pair dealing with waste reduction and the circular economy as well as AB 619, AB 1583, AB 827. Unfortunately, SB 54/AB 1080 did not quite make it across the legislative finish line and AB 792, which sought to establish a 50% minimum recycled content for all plastic beverage containers, was vetoed by the Governor. We were successful in including specific language in SB 54/AB 1080 to address the definition of compostibility and also ensure that we do not perpetuate the recycling of inherently toxic materials into food packaging, so we remain committed to the passage of these two important bills next year.

As we gear up for 2020, we will double-down on funding healthy soils and compost use in agriculture, protecting our feedstock from contaminations and spurring other markets while removing or minimizing hurdles in organics management implementation.

WASTE DIVE

by: Cole Rosengren

California has a reputation for pushing the envelope on environmental issues and the 2019 legislative session that wrapped up last weekend didn't disappoint. Longtime Sacramento observers say this was one of the biggest yet when it comes to waste and recycling issues. Fueled by continuing repercussions from China's scrap import restrictions, buckling bottle bill infrastructure and rising public attention to plastics, lawmakers pushed hard on bills big and small.

"This is the busiest year we've ever had," Heidi Sanborn, executive director of the National Stewardship Action Council (NSAC), told Waste Dive. "We have a new political environment with a new governor and a new legislature, so that got people excited."

Trace Onstad Bills, interim executive director of the California Resource Recovery Association (CRRA), agreed – calling it "an extremely productive year" for her group and the state legislature. Californians Against Waste, a nonprofit that works closely on these issues, described 2019 similarly.

To help keep track, <u>Waste Dive</u> rounded up notable bills that either passed or are likely to see action when legislators return in 2020.

Top Three

AB 792 Recycled content requirements (vetoed by governor)

AB 1583 California Recycling Market Development Act (signed by governor)

AB 827 Commercial recycling/organics access (signed by governor)

Others of Note

AB 1162 Hospitality plastic reduction (signed by governor)

AB 54 Bottle bill triage (signed by governor)

AB 815 Dual-stream recycling (signed by governor)

THREE STRIKES

by: Evan Edgar

This Legislative Year has been the weakest this decade regarding composting and recycling, given the overwhelming challenges. As the China Sword gutted the statewide recycling rate from 50% to 42%, it is projected to fall toward 33% by 2020, and with recycling centers getting no hope or redemption, CalRecycle is being compared to the DMV. Given the global strife, many in Southern California had hoped that SB 1383 would be rolled back, which was not the case since organic programs are cost-effective local greenhouse gas reduction strategies and not bound to export markets.

There were three significant legislative attempts to facilitate the required \$2 to \$3 billion SB 1383 investment, but all failed. AB 144 (Aguiar-Curry) attempted to have the Strategic Growth Council prepare a Scoping Plan for the urban, agricultural, and forest sectors to manage organic waste in a comprehensive manner, but the price tag of \$400,000 was too much. It could have been paid out of Cap-and-Trade revenues and not the General Fund. SB 667 (Hueso) was more focused on having CalRecycle develop a five-year strategy to develop financial incentives for in-state recycling infrastructure, but failed due to the potential of on-going costs of \$1.2 to \$1.8 million. The bill analysis claims that the IWMA has a structural imbalance, with expenditures exceeding revenues by several million dollars annually, which is untrue as the increase in disposal tons has added revenue of over \$11 million this year, compared to 2012. AB 1583 (Eggman) had been on track to increase the revenues with a generator fee or a landfill tipping fee to pay for some of SB 1383, but shied away in favor of extending the sale taxes inclusion to 2026 and creating a needed oversight Recycling Commission.

There was be no Bale Out this year, and with three strikes on legislation, CalRecycle motored on by providing regulatory certainty with the upcoming adoption of the SB 1383 regulations.



FOOD TO GO

SB 1383 states that about 20 million tons of organics will need to be diverted - consisting of about 3.15 million tons of food waste by 2020, and 4.7 million tons by 2025. The 2014 CalRecycle Waste Characterization Study determined that 265,000 tons of food waste are being collected at the curb, and another 929,000 tons are being self-hauled. AB 901 - Recycling and Disposal Facility Reporting will now track these tons of food waste, including from self-haulers that generate more than one ton per month. SB 1383 will also require that 20% of edible food be recovered by 2025, resulting in more than 49,500 tons to be rescued - or 270,000 pounds - resulting in 225,000 meals per day saved from becoming waste.

CalRecycle just issued a Notice of Funds Available for \$17 million of investment into compost and anaerobic digestion facilities to divert food waste. CalRecycle also approved awards for 36 different edible food reduction programs, amounting to a total of \$11,263,671.

Whereas the compost industry is getting ready for all of the food waste, we are bracing for the onslaught of compostable paper and packaging that will be dumped on the industry without enough incentives to get it done. With SB 54 and AB 1080 becoming two-year bills, CalRecycle can now accelerate the SB 1335 regulations and publish a list of approved food service packaging types in order to gain the trust of those who do not trust CalRecycle that delayed SB 54/ AB 1080 to 2020.

SB 54 (Allen, Skinner, & Wiener)

TOPIC: Recycling: Would establish the California Circular Economy and Plastic Pollution Reduction Act. which would require CalRecycle, in consultation with the State Water Resources Control Board, and the Ocean Protection Council to adopt regulations to source reduce and recycle 75% of singleuse packaging and products sold or distributed in California by 2030. The bill would require the department to develop criteria to determine whether the packaging or priority single-use products are reusable, recyclable, or compostable.

STATUS: Two Year Bill

AB 1080 (Gonzalez)

TOPIC: Companion bill with SB 54. STATUS: Two Year Bill

AB 827 (McCarty)

TOPIC Solid waste: commercial and organic waste: recycling bins.

This bill would require a business subject to AB 341 and AB 1826 to provide customers with a recycling bin or container for that waste stream that is visible, easily accessible, adjacent to each bin or container for trash other than that recyclable waste stream. except in restrooms, and clearly marked with educational signage. The bill would exempt some full-service restaurants, as defined. The bill would also require CalRecycle to, on or before July 1, 2020, develop model signage that commercial and organic waste generators, as defined, may utilize to mark the recycling bins provided to customers.

STATUS: Signed by Governor

SB 1383 Article 10 - Edible Food

SB 1383 requires that 20% of edible food be recovered by 2025. CalRecycle is proposing Article 10 – Jurisdiction Edible Food Recovery Programs, Food Generators, and Food Recovery in the third formal draft SB 1383 regulations, issued on Oct. 2, 2019. 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 with documentation for jurisdictions, as well as for edible food recovery organizations that collect edible food from commercial generators. Jurisdictions will need to educate and monitor. Tier One edible food generators need a program by January 2022. This includes supermarkets, grocery stores, food service distributors, and wholesale food markets. Tier Two edible food generators need a program in place by January 2024.

SB 1335 Regulations

This law prohibits foodservice facilities located in a state-owned facility, operating on or acting as a concessionaire on state-owned property, or under contract to provide food service to a state agency from dispensing prepared food using food service packaging unless it is either recyclable, reusable, or compostable. CalRecycle must adopt regulations by January 1, 2021 that clarify terms, specify criteria, and outline a process for determining the types of food service packaging that are reusable, recyclable, or compostable.



BURNED AGAIN

As California strives to be carbon neutral by 2045, bioenergy production that actually solves short-term climate pollutant problems is now being squeezed out of future plans. We had an early attempt with AB 144 (Aguiar-Curry) to develop a Scoping Plan for all organic waste. SB 667 (Hueso) would have had CalRecycle create a 5-year plan on supporting recycling infrastructure, including wood waste programs. AB 1583 (Eggman) could not find a funding mechanism to establish an Organic Waste Recycling Incentive Program, While SB 1383 is being phased in, 2.6 million tons of new wood waste will need to be diverted by 2022 and 3.9 million tons of new wood waste could be on the market in 2025.

Governor Gavin Newsom, did however, successfully pass a \$21 billion wild-fire welfare bill offering the State's big investor-owned utilities a lifeline against following PG&E into bankruptcy if they are hit with multibillion-dollar wildfire liabilities this year. With that bail out, PG&E should have been taken to the woodshed and made to implement the BioMAT program aggressively. But lights are not on, and nobody is home.

The SB 498 annual reporting for 2018 shows the amount of wood chips used across 25 biomass plants increased from 3.63 million tons in 2017 to 4.15 million tons, surging in the forest and mill waste sector. However, the urban sector went from 1.19 million tons in 2017 to just 1.06 million tons, losing another 130,000 tons. The urban sector is down 700,000 tons over 3 years, losing 40% since 2015.

AB 144 (Aguiar-Curry)

TOPIC: Organic Waste: Requires the Strategic Growth Council to develop a scoping plan for the State to meet its organic waste management mandates, goals, and targets. It would also require the scoping plan to include among other things, recommendations on policy and funding support for closing the loop on carbon-neutral or carbon-negative organic waste management practices.

STATUS: Held in Committee

SB 667 (Hueso)

TOPIC: Greenhouse Gases: Requires CalRecycle by January 1, 2020, to develop a five-year strategy to meet the State's organic waste and diversion goals by supporting organic waste infrastructure development, and by June 1, 2021, to coordinate with the Treasurer's Office on developing financial incentives for instate recycling infrastructure. It also, requires the Treasurer to coordinate with Nevada, Oregon, and Washington on infrastructure financing to support regional recycling needs and infrastructure.

STATUS: Held in Committee

AB 257 (Mathis)

TOPIC: Solid waste: woody biomass collection and conversion. This bill would create a 5-year woody biomass rural county collection and free disposal pilot program, to be administered by CalRecycle consisting of awarding funding to participating counties.

STATUS: Held in Committee

SB 1383 Regs - Bioenergy

Procurement of Recovered Organic Waste Products is being proposed in Article 12, as authorized in SB 1383. Recognizing the importance in developing RNG and compost demand, CCC supported the programs and metrics in these regulations. The Bioenergy Association of California fought hard to include bioenergy from wood chips in the regulations. CalRecycle presented a fair share calculation with flexibility of procuring these bio-products. The per capita procurement target is 0.08 tons of organic waste per California resident, per year. On or before January 1, 2022, CalRecycle must calculate the annual recovered organic waste product procurement target for each jurisdiction. One ton of organic waste recovered constitutes 650 kilowatt-hours of electricity derived from biomass conversion. With the State's population projected to be 44 million in 2025, about 3.5 million tons of wood chips (up to 261 MW of bioconversion energy) will need to be procured by local government, should compost or RNG products not be an option. Bioenergy is carbon neutral, which will go toward the State goal to be carbon neutral by 2045. Racing to carbon neutrality, the role of bioenergy should get a boost, along with the resurgence of the BioMAT program, but will not.

BioMAT Program Review

BioMAT is a tariff program for small bioenergy renewable generators less than 5 MW in size. The BioMAT program offers up to 250 MW to eligible projects through a fixed-price standard contract to export electricity to California's three large investor owned utilities. Electricity generated counts toward the RPS.

CALIFORNIA COMPOST COALITION

OCTOBER 2019 SPECIAL EDITION

CLASS 8 HVIPed IN

After spending \$57 million on over 2,000 heavy duty vehicles last year, CEC will not spend another cent of their \$277.5 million budget on natural gas vehicles. CARB also almost HVIPed Up this year with staff recommending no further investing in the heavy-duty fleet transition from diesel to CNG with RNG fuel and near-zero NOx engines. CARB held a series of Workshops in June and July on the development of the Fiscal-Year 2019-2020 Funding Plan for Low Carbon Transportation Incentives with \$447 million revenue generated by the Cap-and-Trade program named the Greenhouse Gas Reductions Fund, and the Air Quality Improvement Program (AQIP) valued at \$48 million and funded by DMV fees.

CARB voted on October 24, 2019 to keep the largest Class 8 (11.9L engine) near-zero emission trucks in the HVIP funding program. This is after releasing a formal staff proposal that would have eliminated funding for everything except zero tailpipe emission vehicles. After a hard fought battle to restore funding for near-zero vehicles, CARB agreed to put the biggest vehicles back in the HVIP program and to address concerns about the Carl Moyer (diesel truck replacement) program. CARB will also fund all requests currently on the HVIP waiting list. CARB staff also want to include a requirement that new trucks funded by HVIP must have a contract for instate biomethane, although the details of that still need to be finalized. We have a long way to go to make all these programs work better and make sure that natural gas trucks remain eligible for these programs.

SB 44 (Skinner)

TOPIC: Medium- and heavy-duty vehicles: comprehensive strategy. The California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program funds zero- and near-zero-emission truck, bus, and off-road vehicle and equipment technologies and related projects, including, but not limited to, technology development, demonstration, precommercial pilots, and early commercial deployments of zero- and near-zero-emission mediumand heavy-duty truck technology. This bill would require the state board, no later than January 1, 2021, and at least every 5 years thereafter, to update the state board's 2016 mobile source strategy to include a comprehensive strategy for the deployment of medium-duty and heavy-duty vehicles in the state for the purpose of bringing the state into compliance with federal ambient air quality standards and reducing motor vehicle greenhouse gas emissions from the medium-duty and heavy-duty vehicle sector.

The bill would require the state board to recommend reasonable and achievable goals, based on specified factors, for reducing emissions from mediumduty and heavy-duty vehicles by 2030 and 2050, respectively, as part of the comprehensive strategy. The bill would authorize the state board to establish a process to identify medium-duty and heavy-duty vehicle segments that can more quickly reduce motor vehicle emissions, consistent with the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program, with a beachhead market analysis.

STATUS: Approved by Governor September 20, 2019

SB 1383 Regs - RNG Use

Procurement of Recovered Organic Waste Products is being proposed in Article 12, as authorized in SB 1383. Recognizing the importance in developing RNG demand, compost use, and bioenergy from wood chips, CCC has been out in front supporting this inclusion in the regulation. CalRecycle presented a fair share calculation with flexibility of procuring these bio-products with a focus on RNG, where up to 47 million gallons of diesel gallon equivalents of RNG could be used each year and could fuel 6,000 CNG refuse trucks, of the State 15,000 refuse fleets. Requiring, through a written contract, that a direct service provider to the jurisdiction procure recycled organic waste products and provide written documentation of such evidence to the jurisdiction. This will allow the jurisdiction to delegate the RNG use to the local franchise hauler, and fulfill the procurement requirement. This is an elegant community-scale fit.

LCFS Amendments

CARB adopted LCFS Amendments in 2018 that weakened the program by lowering the carbon intensity target from 10% to 7.5% by 2020, thereby reducing RNG demand and the value of the LCFS credits. However, CARB decided to accelerate the 2030 target to 20% reduction in carbon intensity. CARB also took away the 'carbon negative' fuel intensity in the Look-Up Tables for AD biomethane and will now perform the time consuming and expensive Tier 2 pathway process. By default, The Temporary Fuel Pathway is conservative and will be 'zero', which is still 'carbon neutral' and far better than ZEVs and hydrogen, but not be default 'carbon negative' after Jan. 1, 2019.



33% BY 2020

The statewide recycling rate dipped from 50% in 2014 to 42% in 2017 and 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 posting up resources to assist cities and the 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 recycling cause.

Assemblymember Eggman has been working on landfill tip fee reform for years, but it was not part of AB 1583 in order to raise revenue earmarked for remanufacturing facilities located in California. Any tax increase requires a 2/3 vote in the Legislature, where transportation and Cap-and-Trade funding became law in previous years and a water tax failed passage this year. Recycling has become passé and should not be passed over once again, but was.

California is poised to meet the renewable energy and greenhouse gas reduction goals in 2020, as the Governor plans to ban diesel pollution and reach the low carbon fuel standard by 2030. Organic waste diversion is further expanding with local markets not tied to China. California is still a leader being green even as recycling is singing the blues. Without fanfare, America Recycles Day is November 15 where almost 80,000 people have taken the #BERECYCLED pledge to learn, act, and share.

AB 1583 (Eggman)

TOPIC: The California Recycling Market Development Act would require CalRecycle to convene a Statewide Commission on Recycling Markets and Curbside Recycling and would require the commission to, among other things, issue policy recommendations to achieve specified market development goals and waste reduction goals and provide regular feedback to the department on public messaging designed to encourage proper recycling and to minimize contamination in curbside recycling programs.

The California Alternative Energy and Advanced Transportation Financing Authority Act establishes the California Alternative Energy and Advanced Transportation Financing Authority. The act authorizes, until January 1, 2021, the authority to provide financial assistance to a participating party in the form of specified sales and use tax exclusions for projects, including those that promote California-based manufacturing, California-based jobs, advanced manufacturing, reduction of greenhouse gases, or reduction in air and water pollution or energy consumption. The act prohibits the sales and use tax exclusions from exceeding \$100,000,000 for each calendar year. The Sales and Use Tax Law, for the purposes of the taxes imposed pursuant to that law, until January 1, 2021, excludes the lease or transfer of title of tangible personal property constituting a project to any contractor for use in the performance of a construction contract for a participating party that will use that property as an integral part of the approved project. This bill would extend the authorization to provide financial assistance in the form of a sales and use tax exclusion for qualifying projects to January 1, 2026, and would extend the sales and use tax exclusion to January 1, 2026.

STATUS: Approved by Governor October 2019

Statewide Recycling Rate

Pounds Per Person Per Day (PPD) - CalRecycle

2012 | 4.3 PPD

29.3 million disposal tons 50% statewide recycling rate

2013 | 4.4 PPD

30.2 million disposal tons 50% statewide recycling rate

2014 | 4.5 PPD

31.2 million disposal tons 50% statewide recycling rate

2015 | 4.7 PPD

33.2 million disposal tons 47% statewide recycling rate

2016 | 4.9 PPD

35.2 million disposal tons 44% statewide recycling rate

2017 | 5.2 PPD

37.8 million disposal tons 42% statewide recycling rate

2020 | 2.7 PPD (AB 341) Target

20.0 million AB 341 disposal tons 75% statewide recycling rate

Full China Ban (CalRecycle Projection) 33% statewide recycling rate

State of Recycling - 2017

Each year CalRecycle publishes the State of Disposal and Recycling In California, where the statewide recycling rate was 42% in 2017 down from 50% in 2014. The state's waste management system faced some major challenges in 2017 and have continued on in 2018 and 2019 without relief in sight with the National Sword export ban being the new normal. California's exported recyclables have decreased by almost 2 million tons, or about 11 percent, in the last three years. The exact fates of these tonnages is 'uncertain' so CalRecycle says, where most has been sent to landfills on a ton-per-ton basis.

Budget

CAP-AND-TRADE

The state budget was enacted before the July 1, 2019 deadline with a Capand-Trade Expenditure Plan for the 2019-20 fiscal year that is turning into a slush fund for high-speed rail and clean water in the Central Valley. The plan would allocate \$1.387 billion in Capand-Trade revenues to the following focused investments:

- \$550 million to the Air Resources Board for low carbon transportation
- \$25 million to CalRecycle for waste diversion
- \$28 million for heathy soils
- · \$34 million for dairy methane reduction
- \$0 million for low carbon fuel production at the CEC

The Governor's proposed Cap-and-Trade spending plan for CalRecvcle's funding is just \$25 million, where the industry has been demanding \$100 million to \$200 million per year to fund the SB 1383 infrastructure projects. So far, CalRecycle has received \$111 million of the \$6.1 billion that have been appropriated. According to the recently released 2019 Annual Report on the Cap-and-Trade Proceeds, compost and anaerobic digestion facilities continue to be one of the most cost-effective GHG programs, while the grants awarded by CalRecycle continue to show that disadvantaged communities (DAC) are receiving benefits or co-benefits 84% of the time. CEC will no longer pursue low carbon fuel production from this fund. As CARB prepares their Investment Plan for 2019-2020, staff is proposing to no longer fund vouchers for the CNG Fleet that uses the near-zero NOx engines, even using RNG fuel.

With a disappointing execution from CARB to fund the RNG/near-zero NOx fleet, there have been attempts in the legislature this year to allocate fair share funding with SB 44 (Skinner), but it has been turned into a study bill to pursue technically-feasible and cost-effective programs on both accounts, which the RNG/near-zero NOx wins every day. AB 753 (Garcia) tried to allocate money but was held in Committee. We must strike back next year!

Air Quality

BAAQMD Rules

The BAAQMD is continuing to develop new rules (13-2, 13-3, and 13-4) to address emissions of methane and odors from facilities handling and processing organic materials in the Bay Area and has provided the below information. The Air District is revising its approach to developing rules addressing emissions of methane and volatile organic compounds from organic recovery operations. Having received extensive comments from industry, municipalities, and other stakeholders, Rule Development Staff is considering comments received and making appropriate adjustments to the development of the draft Rule, most notably the separation of the original Rule 13-2, into Rules 13-2 and 13-3. The Air District will continue to engage the public and affected industries through expanded outreach efforts over the course of a tentative revised rule development schedule, as below:

Draft Rule 13-2: Organic Material Handling Operations

- Call for Comments Revised Draft available - Mid November 2019
- Board Hearing on Final Draft Rule -March/April 2020

The scope of Rule 13-2 will be limited to Material Recovery Facilities, Transfer Stations, and Chip & Grind facilities. Staff will issue a call for comments from the affected industries in mid-November 2019 and will continue developing the rule for consideration by the Board of Directors in March or April of 2020.

Draft Rule 13-3: Compost Operations

- Workshop Draft available May/June 2020
- Board Hearing on Final Draft Rule -October/November 2020

Rule 13-3 will likewise be further developed with a second round of workshops in the second quarter of 2020 and an anticipated date for consideration by the Board of Directors in the fourth quarter of 2020.

CCC looks forward to continued engagement and is hopeful the revised draft rule will be more workable.

Regs Watch

SB 1383 Regulations

The California Department of Resources, Recycling and Recovery (CalRecycle) is announcing a 15-day comment period regarding changes to the Proposed Organic Waste Reduction Regulations. The 15-day written public comment period for this rulemaking ended at 1:00 PM on October 18th, 2019. The full text of the regulation including the newly proposed changes clearly indicated is available on the SB 1383 Rulemaking website at: https://www.calrecycle.ca.gov/Laws/ Rulemaking/SLCP

CalRecycle has posted a revised draft of the Proposed Organic Waste Reduction Regulations designed to implement the statutory provisions of SB 1383. The revised draft includes regulatory changes made in response to stakeholder comments. Policy Changes This document serves as a high-level summary of sections where key policy changes were made in response to stakeholder feedback. Summary of Changes Made to the Proposed Organic Waste Reduction Regulations are linked here.

CCC continues to provide constructive comments on SB 1383 procurementbased regulations, performance, and edible food recovery.

AB 901 Regulations

Starting July 1, 2019, CalRecycle transitioned away from the current Disposal Reporting System (DRS) to a brand-new Recycling and Disposal Reporting System (RDRS). Entities that are required to report were required to registered in the Recycling and Disposal Reporting System by April 30, 2019. Permitted stations and disposal facilities should have submitted their Q2 2019 reports under the prior Disposal Reporting System (DRS) to their counties or regional agencies by September 15, 2019. The final reporting due date to CalRecycle under DRS was October 15, 2019.

The reporting deadlines by reporting entity for 2019 (third and fourth quarters) are listed here: https://www. calrecycle.ca.gov/docs/cr/swfacilities/ rdrs/2019reportingdeadlines.pdf



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

Bill Camarillo, Agromin
Vince Colvis, Mt. Diablo Recycling
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Eric Potashner, Recology
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Will Bakx, Sonoma Compost
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Michael Gross, Z-Best Compost

CCC Team

Neil Edgar, Executive Director Evan Edgar, Regulatory Affairs Steve Peterson, Financial Advisor Monica White, Sustainability Advisor Sean Edgar, Fleet Advisor

CCC Legislative Affairs

Justin Malan, EcoConsult Neil Edgar, Edgar & Associates Inc.

CCC News

THE CO-BRANDING OF CCC IN 2020

The California Compost Coalition is a registered Lobbying Coalition with the Fair Political Practices Commission and was created in 2002 by a group of compost operators in response to demands for increased recycling of organic materials and production of clean compost. CCC has expanded the Mission Statement over the years to include bioenergy, anaerobic digestion, renewable natural gas, and biochar. We dove deep into Capand-Trade allocation and grant funding, low carbon transportation strategies, SB 1383 regulations, and regional air quality permitting.

California's organic recyclers and compost operators created a sustainable, scalable industry model for the State, the Nation, and the world to demonstrate that putting clean, recycled, composted organic materials

back into the ground is the most predictable, cost-effective, productive, and eco-friendly use of a natural resource.

We will continue to implement our Vision by assembling permitted organics recyclers and compost operators into a direct lobbying organization that represents them with a unified, statewide voice on issues of importance: product and safety standards, government regulations, environmental planning, trade, and marketing development. We will promote composting, wood sorting and grinding, and other methods of producing value-added services and recycled products that are longterm, earth friendly solutions generating the greatest good versus conventional, outmoded, and competing waste handling alternatives. We will develop markets to increase sales of clean compost, mulch and wood products, RNG, bioenergy, and biochar. We will foster cooperation among public and private organizations involved in sustainable organics recycling and have been supported the SB 1383 procurement of all recovered waste products.

Governor Newson wants California to

be carbon neutral by 2045, where our industry is Net-Zero now and CCC will continue to play Carbonopoly, provide the carbon math, and author White Papers to demonstrate our members ability to deliver on the programs to meet the State goals years in advance and to promote an industry that has been misunderstood.

We are already implementing the organic circular economy that others strive for. CCC supported SB 54 and SB 1080 to have all stakeholders be fully aware of the compost industry's key issues about

compostability specifications and the trust being placed with Cal-Recycle, and to alert the packaging industry that composting is not the panacea to accommodate their greenwashing attempts.

However, many regulatory

agencies still think that we only operate compost facilities and do not fully understand the scope of managing organics in California. We are the fleet owners that collect organics. We are organic facility operators that produce bioenergy and renewable natural gas. We are Net-Zero Facilities making carbon negative fuels, and we haul compost and wood chips to markets. Over the years, CCC has co-branded with CleanFleets on White Papers, staff meetings, and public testimony at the California Air Resources Board and local air districts.

CCC is leading a working group in the Bay Area to address the BAAQMD regulations on organic waste handling and to implement the SB 1383 regulations. CCC geared up in 2019, where we formed the Organics Management Group, working with new stakeholders such as waste water treatment plants, clean fleet organizations, and disadvantaged communities groups, as we position our members toward a carbon neutral future now. CCC looks forward to 2020 with new challenges and opportunities.



ALIFORNIA

COMPOST COALITION