

Clearing the Air Over Composting Regulations

We have been voicing our concerns over air quality rules for years, having gained some level of regulatory certainty in the San Joaquin Valley Air Pollution Control District (SJVAPCD) and the South Coast Air Quality Management District (SCAQMD), while running the gauntlet in the Bay Area Air Quality Management District (BAAQMD). We had hoped that the AB 1045 process would add some level of permit coordination, but instead the new AB 617 regulations are coming our way. Designating compost facilities as an essential public service through AB 1036 (McCarty) would allow operators to claim baseline credit for landfill diversion. This effort was swamped out by Federal regulations, sticking the industry as a new source unless co-located on top of a landfill. As the industry is suffocating from air permit issues, the agencies are attempting to breathe some new life with a series of workshops scheduled in June. With a need for over 100 new facilities and a few billion dollars, the industry is struggling with how to permit facilities with regulatory certainty.

AB 1826 requirements will ramp up on January 1, 2019, bringing mandatory organics collection and diversion programs to many commercial businesses, including most restaurants and fast-food chains. AB 1383 is in the final stages of informal rulemaking, with formal draft language due later in the summer and final regulations to be adopted some time in 2019, over two years before they take effect on January 1, 2022. This landmark policymaking will move organic materials management into a new paradigm, bringing composting and other technologies to the forefront. All of this is great news for our members and others in the organics game.

At CalRecycle, formal regulatory language was officially submitted in the final stages of AB 901 rulemaking, which will require operators of solid waste and recycling operations across California to report how materials are managed, to whom they are sent, and from what market sector they are derived from, with the intent of improving data collection and accountability for landfill diversion efforts.

With these promising new mandates come significant concerns from regulators and environmental organizations over the potential degradation of air quality from volatile organic compounds, other toxic emissions, and odors at

the dozens of new or expanded facilities which are expected to be developed in response to organics diversion mandates. A host of new policy efforts have been brewing for some time, following the Rules adopted by the SCAQMD and the SJVAPCD in 2011.

Leading the current charge is the California Air Pollution Control Officers Association (CAPCOA) in coordination with CalRecycle and CARB, who will release a white paper on composting emissions in meetings slated for the last week in June in Davis and Diamond Bar. The paper is likely to shape rulemaking efforts in a majority of air districts across the state.

Given that the BAAQMD has endured loud public outcry over odors at Republic Services' two Bay Area composting operations, the district has begun rulemaking specific to composting, anaerobic digestion, and other organics processing operations. This regulatory development process is being conducted by the District's Basin-Wide Methane Strategy staff, which will convene another meeting on composting rulemaking, scheduled for June 14, 2018, where CCC is on the advisory group. Additionally, the District is hosting a broader stakeholder meeting on Monday, June 25, 2018: "Developing a Sustainable Organic Waste Recovery Sector, A Forum for Sharing Strategies and Building Regional Consensus".

As if that weren't enough, AB 617 was passed last fall (in conjunction with the approval of Cap-and-Trade funding) which may bring composting operations into a community reporting and compliance regime related to potential impacts on disadvantaged communities.

Some of these policies have been considered – many have not – under the AB 1045 permitting coordination process on recommendations to help facilitate organics infrastructure development. The first report under this regulation was due 18 months ago, but should be released in the immediate future. Needless to say, these are dynamic times for anyone with an interest in moving more sustainable organics programs forward.

Composting is an essential public service because it is one of the most cost-effective greenhouse gas reduction strategies. Finally, composting is getting the air time it deserved and new regulations will hopefully deliver regulatory certainty and needed permit coordination.

CCC Policy Agenda & Lobby Day

CCC held its third Lobby Day on Wednesday, May 23, 2018 at the Downtown and Vine Restaurant in Sacramento. CCC members were briefed on the status of current legislation, the below talking points on policy, and set forth to 27 different offices at the Capitol. Between rounds of mid-morning and afternoon meetings with key legislators and staff, members were able to have a lengthy lunchtime discussion with Assemblymember Kevin McCarty, as well as Air Resources Board staffers Tung Lee and David Mallory about prioritizing industry needs for infrastructure development. CCC continues to strengthen relationships that will position our organization to effect necessary changes and allow industry expansion on the heels of highly successful, table-setting policies in recent years.

2018 Priorities

Compost Infrastructure Development

Funding

Legislation: AB 1933 (Maienschein) and Assembly budget request

- CalRecycle has identified the need for a minimum \$100 million in incentive funding over each of the next 5 years to stimulate infrastructure development, with total investment of \$2-3 billion.
- Identify and advocate for increased funding to finance research, demonstration projects and academic studies, infrastructure and market development beyond GGRF, including increased tipping fees, generator fees, or other mechanisms.
- Continue work with State Treasurer's CAEATFA staff to assure composting operations are afforded more reasonable opportunity to qualify for AB 199 Sales and Use Tax (SUT) exclusion.

Permitting

- Develop State Compost Infrastructure Task Force (or similar entity) to coordinate infrastructure development: address funding, market development, and permit streamlining. Task Force would broaden inclusive process to add local governments, other state and local agencies, industry, and other stakeholders in an effort to find more immediate solutions to meeting AB 1826 and SB 1383 goals.
- Expand scope and urgency of current AB 1045 process.

Hold the Line

- Resist legislative and regulatory efforts to weaken CA's climate protection laws that direct reductions in GHG/Short-lived Climate Pollution

Government Entity Market Development

Legislation: AB 2411 (McCarty) and AB 1981 (Limon)

- Enforcement and expansion of existing state agency compost purchase mandates to include local governments, other state agencies, and broader organic materials categories.

Biomass Industry/Woody Waste Management

Legislation: AB 2208 (Aguiar-Curry and Eduardo Garcia)

- Develop and promote biomass industry support legislation and/or additional policy options for woody waste management.

ACR 209 (Eggman)

TOPIC: This measure would designate the week of May 6, 2018, through May 12, 2018, as Compost Awareness Week.

STATUS: From Senate Rules committee: Ordered to third reading. **SUPPORT**

AB 1981 (Limon)

TOPIC: This bill would, among other changes, impose additional duties on state agencies relating to promoting the application of compost and additionally including the Department of Forestry and Fire Protection in the state agencies in coordination with which the California Environmental Protection Agency is required to develop and implement the above-specified policies. The bill would also require the California Environmental Protection Agency additionally to work with the Department of Forestry and Fire Protection and the Tree Mortality Task Force to achieve the goal of reducing at least 5 million metric tons of greenhouse gas emissions per year through the development and application of compost on working lands.

STATUS: Referred to Assembly Appropriations Committee. **SUPPORT**

AB 2411 (McCarty)

TOPIC: This bill would require the Department of Resources Recycling and Recovery, on or before December 31, 2019, to develop and implement a plan to maximize the use of compost for slope stabilization and for establishing vegetation in the course of providing debris removal services following a wildfire, and, in coordination with the Department of Transportation, to identify best practices for each of the Department of Transportation's 12 districts regarding the cost-effective use of compost along roadways and to develop a plan to implement the identified best practices in each of the districts.

STATUS: In Senate. To Com. on Rules for assignment. **SUPPORT**

AB 1933 (Maienschein)

TOPIC: This bill authorizes up to \$200 million to be appropriated from the Greenhouse Gas Reduction Fund (GGRF) to Cal Recycle for organic waste diversion and recycling projects each fiscal year. Up to \$100 million would be for organic waste recycling infrastructure projects and up to \$100 million for solid waste recycling infrastructure, with food rescue projects also eligible.

STATUS: Referred to Assembly Appropriations Committee. **SUPPORT**

BAAQMD Rulemaking and Organics Diversion

BAAQMD has concerns that more organic waste will be diverted from landfills to composting and/or anaerobic digestion and – given concerns over their recent odor compliance and enforcement issues at the Newby Island Landfill (and its permitted composting facility) in Milpitas and WCCSLF Composting Facility in Richmond – they included plans in their 2017 Clean Air Plan to develop a composting rule. This control measure would reduce emissions of greenhouse gases (GHGs) and volatile organic compounds (VOCs) from anaerobic digesters and composting operations which may include best management practices derived from measures adopted by the South Coast Air Quality Management District and the San Joaquin Valley Air Pollution Control District. Additionally, the district expects reductions in secondary PM emissions caused by ammonia.

This regulatory development process is being conducted in conjunction with the District's Basin-Wide Methane Strategy, which includes separate rulemaking for other methane sources, including landfills and oil and gas production operations. The District will convene meeting of an expert panel to advise the composting rulemaking, with the first meeting scheduled for June 14, 2018.

Additionally, the District is hosting a stakeholder meeting on Monday, June 25, 2018: "Developing a Sustainable Organic Waste Recovery Sector, A Forum for Sharing Strategies and Building Regional Consensus". According to their invitation, "This event will convene regional stakeholders and foster an exchange of ideas. The goal is to build toward a more sustainable system for the collection, separation, chipping, grinding, piling, composting, digestion, thermal conversion, and land application of recoverable organics. The Air District is interested in discussing your ideas and receiving feedback on strategies that we are developing." Interested parties should contact Dr. Chad White at (415) 749-8619 or cwhite@baaqmd.gov.

NATURAL AND WORKING LANDS CLIMATE CHANGE IMPLEMENTATION PLAN

The California Natural Resources Agency, California Department of Food and Agriculture, California Environmental Protection Agency, California Air Resources Board, and Strategic Growth Council hosted a public workshop to discuss and solicit input on the development of the Natural and Working Lands Implementation Plan and associated 2030 goal for carbon sequestration on May 18, 2018 in Sacramento.

The [Concept Paper](#) recommends proposed management activities for Cultivated Lands and Rangelands which include the application of compost to enhance soil health and sequester carbon.

The Concept Paper provides a proposed outline for the California Natural and Working Lands Climate Change Implementation Plan with the aim of gathering feedback and discussion from the public to inform the final Plan. It describes:

- A. The directive to create an Implementation Plan as outlined in the 2017 Scoping Plan Update: The strategy for achieving California's 2030 greenhouse gas target;
- B. The scope of the Implementation Plan;
- C. The tools to be used for setting a 2030 GHG reduction goal; and
- D. The framework and process for developing, implementing, and tracking progress on the Implementation Plan and its associated goals.

An Appendix outlines the proposed conservation, restoration, and management activities that will be employed through state-funded investments to sequester carbon on natural and working lands, and the California Department of Agriculture (CDFA), California Environmental Protection Agency (CalEPA), and the California Natural Resources Agency (CNRA) programs that may contribute to these activities by 2030.

Comments on the concept paper can be submitted by June 15, 2018 to the California Air Resources Board Natural and Working Lands webpage, <https://arb.ca.gov/cc/natandworkinglands/natandworkinglands.htm>

AB 901 REGULATIONS

Notice of the proposed regulations was published in the California Regulatory Notice Register by the Office of Administrative Law (OAL) on January 26, 2018, beginning the formal 45-day comment period of the rulemaking process. The sixth draft of the proposed regulatory text was released on May 16, 2018 for a 15-day formal comment period. Please refer to the "Notice of Changes to Proposed AB 901 Regulations"

<http://www.calrecycle.ca.gov/Laws/Rulemaking/Reporting/6thNotice.pdf> for information on how to comment. The comment period will close on May 31, 2018 at 11:59pm. The proposed regulatory text can be found at

<http://www.calrecycle.ca.gov/Laws/Rulemaking/Reporting/6th-DraftRegs.pdf>

SB 1383 - REGULATIONS

CalRecycle held it's seventh in a series of workshops on May 8, 2018, in Sacramento, and on May 7, 2018, in Carlsbad to discuss the SB 1383 implementation process. Staff presented a lengthy overview of the changes made to the final informal draft of the rulemaking text (<http://www.calrecycle.ca.gov/Actions/Document.ashx?id=8919>), of which most were in response to stakeholder feedback. The draft regulations include new jurisdictional procurement requirements for compost and renewable natural gas, among the numerous revisions. CalRecycle plans to adopt the regulations in early 2019. Although the regulations will not take effect until 2022, adopting them in 2019 allows regulated entities approximately three years to plan and implement necessary budgetary, contractual, and other programmatic changes. Jurisdictions, haulers, and generators should consider taking actions to implement programs to be in compliance with the regulations on January 1, 2022. During 2019, CalRecycle will be networking, providing technical assistance, and developing tools, model ordinances, contracts, and case studies to support efforts at the local level to meet the organic waste reduction targets and comply with the regulatory requirements.

<http://www.calrecycle.ca.gov/Climate/SLCP/>



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
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
Harvest Tulare
Harvest Lathrop
Marin Sanitary Service
Mt. Diablo Resource Recovery
Napa Recycling Compost
Northern Recycling Compost
Organic Waste Solutions
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
Tracy Delta 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*
Greg Kelley, *Northern Recycling*
Eric Potashner, *Recology*
Greg Pryor, *Recology*
Will Bakx, *Sonoma Compost*
Christy Pestoni Abreu, *UVR Compost*
Michael Gross, *Z-Best Compost*

CCC Team

Neil Edgar, Executive Director
Evan Edgar, Regulatory Affairs
Steve Peterson, Financial Advisor
Rick Moore, Peer Review Engineer
Monica White, Sustainability Advisor
Sean Edgar, Fleet Advisor

CCC Legislative Affairs

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

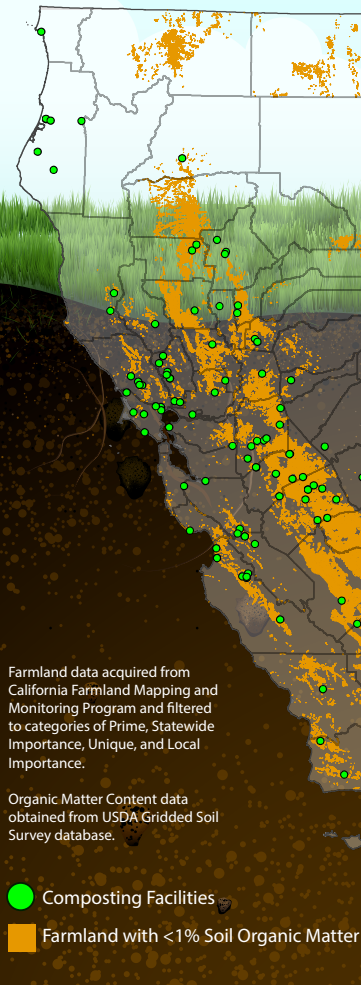
Healthy Soils



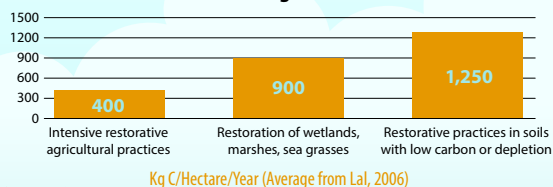
Increasing Soil Carbon for Climate Resiliency

Healthy soils are a critical part of the long-term sustainability of food production and can contribute to reducing greenhouse gases. Compost provides a direct addition of carbon to soil, along with a diverse population of microbes to boost soil health, helping plants grow stronger. Organic matter and soil carbon helps water percolate into clay soils, instead of running off, and also helps hold water in sandy soils, so plants can use it before it sinks below the root zone. Mulch protects soil from sun, wind, and water erosion, adds more carbon as it breaks down, and helps conserve water by keeping soil temperatures down. Whether the future holds droughts, heat waves, or stronger, wetter storms, increasing the organic matter and carbon in California soils is an effective way to help California agriculture adapt and stay strong.

California Farmland with Soil Carbon <1%



Potential Soil Carbon Sequestration Rates from Restorative Management Practices



22 Percent

The average compost in the Western U.S. is 22% carbon by dry weight, according to data from Soil Control Labs.

Printed on paper containing minimum 30% recycled content

