

# AB 1826: Organics [and AB 1594]

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# Policy Drivers

## AB 939

- ▶ 50% diversion requirement on jurisdictions

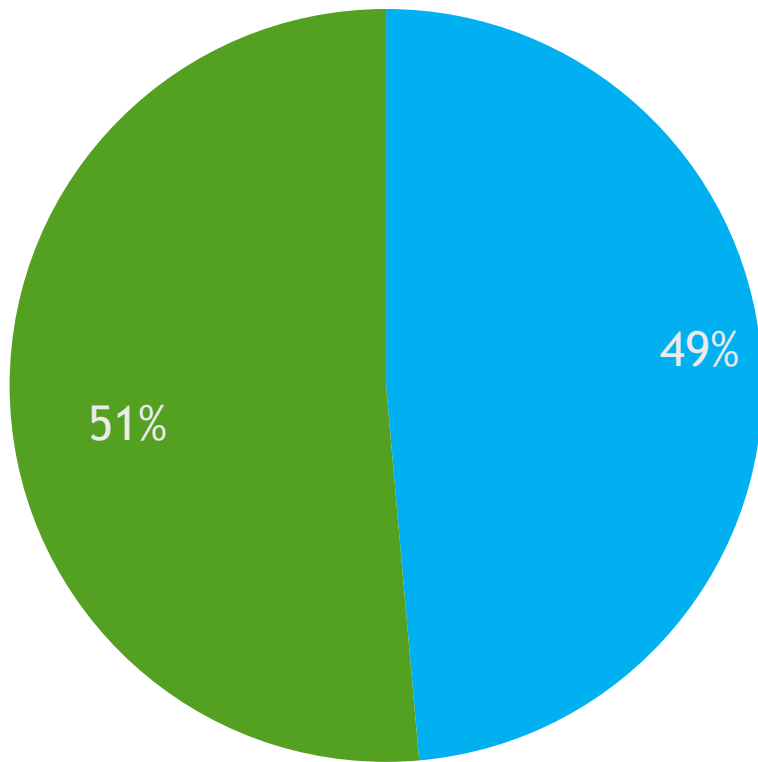
## AB 341

- ▶ 75% reduction, recycling, composting statewide goal by 2020
- ▶ Not transformation or disposal-related activities, etc.
- ▶ Doesn't change AB 939 mandate on jurisdictions or how CalRecycle evaluates compliance

## AB 32

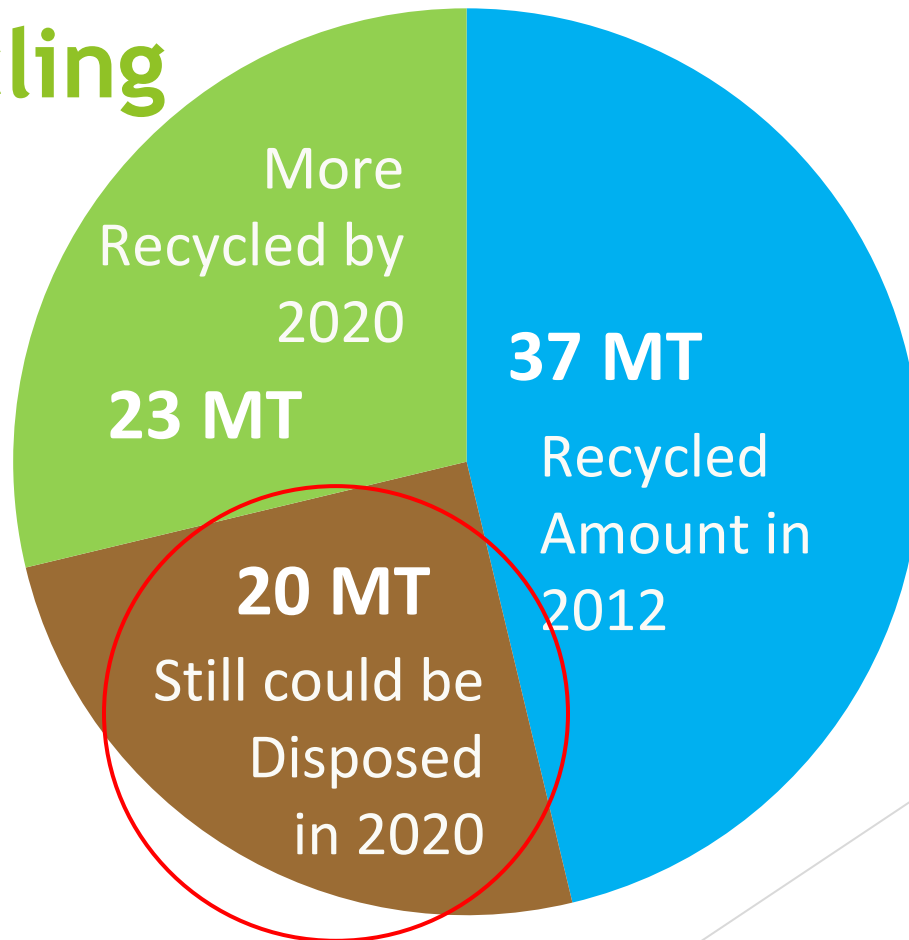
- ▶ ARB Scoping Plan - Waste Sector
- ▶ Reduce GHGs to < 1990 levels

# Where Are We Now?



- Currently Recycled (PPD)
- Currently Disposal-Related Activity (PPD)

# Projected 2020 tonnages to reach 75% recycling



# What Will 75% Take?

- ▶ Moving > 20 million tons/year out of landfills
- ▶ 1/3 or more organic, + traditional recyclables
- ▶ Either overseas or other states OR more infrastructure here in California
  - ▶ CalRecycle preference to handle waste in CA
- ▶ 100s of new or expanded facilities

# What Else 75% Can Achieve?

- ▶ Jobs if in-state
- ▶ GHG reductions
- ▶ Biofuel/bioenergy production

# How Will CalRecycle Measure?

- Modify current system used for measuring 50% on statewide basis
- Measure based on per resident activity
  - Allows for population growth
  - No multiplier for economic growth
- Simple and practical
  - Measures disposal but is quantifiable
- No additional reporting burdens

# Connections to AB 32

- ▶ ARB Scoping Plan Update 2014
- ▶ Waste Management Sector identifies activities to achieve significant GHG reductions
- ▶ Potential for 20-30 MMT GHG reductions
- ▶ Activities support AB 341
- ▶ Measure via CalRecycle waste characterization studies 2014/15 and ~2018/19



# Scoping Plan Implementation

- ▶ Funding/incentives for infrastructure
  - ▶ e.g., Greenhouse Gas Reduction Program \$\$
- ▶ Regulatory/statutory provisions
  - ▶ e.g., direct regs on organics in landfills?
- ▶ Emission reduction factors
- ▶ Permitting
- ▶ Procurement

# Why Organics?

- ▶ >>30% of total disposal compostable/digestible
- ▶ No way to 75% without it
- ▶ Scoping Plan identifies organics as key player to help meet GHG goals



# Sticks

**Reduce organics disposal through:**

- **Legislation:** AB 1826 (statutorily mandated commercial recycling of organics) + AB 1594

AND/OR

- **Regulation:** Air Resources Board could implement through direct regulations

# AB 1826

- ▶ April 2016 - Businesses generating 8 CY organics/week required to have organic waste recycling
  - ▶ Jan 2017 - 4 CY/week of organics
  - ▶ Jan 2019 - 4 CY/week of solid waste
  - ▶ 2020 trigger: CalRecycle can reduce to 2 CY of waste if statewide organics disposal not cut in ½
    - ▶ Multifamily complexes not required to divert food waste
- ▶ Jan 2016 - Jurisdictions required to implement program to divert organics generated by businesses
- ▶ CalRecycle to review jurisdictions' programs
- ▶ CalRecycle to recommend actions re: state's organic recycling infrastructure

# AB 1826 Jurisdiction Requirements

- ▶ Jan 2016 - Implement program
  - ▶ Outreach, education, monitoring
  - ▶ Organics recycling program
  - ▶ May include mandatory recycling via policy or ordinance, franchise agreement or contract, or requiring material to go through MRF
  - ▶ Identify multiple parameters and barriers; plan to address barriers under control of jurisdiction
  - ▶ Rural exemption process
- ▶ Aug 2017 - begin reporting in Annual Reports on education/outreach/monitoring
  - ▶ # of regulated businesses that generate organics and # recycling organics, and, if available, tonnage diverted, and facility availability and plans to address barriers

# Relationship to MCR

- ▶ Some similarities to MCR but more complex
- ▶ Similarities:
  - ▶ Businesses are responsible
  - ▶ Jurisdictions must have outreach, education, monitoring

# Relationship to MCR

- ▶ Differences:
  - ▶ Variability in organic waste types and programs
    - ▶ General lack of commercial green and food waste programs
    - ▶ Roles of food banks, renderers, etc.
  - ▶ What constitutes a program?
  - ▶ Rural exemption process
  - ▶ Need to ID more information and specify plan
  - ▶ Need to identify those that generate organics
    - ▶ Need to provide #s of businesses that are recycling
    - ▶ Need to provide tonnage diverted, if available

# Guidance on 1826

- ▶ Nov 2014 - Initial information on 1826 provisions + solicitation of questions from stakeholders + listserv
- ▶ Dec 2014 - Developed rural exemption process
- ▶ Jan-Mar 2015 - Posted responses to “easy” questions; announced workshops; developed draft guidance material
- ▶ April 2015 - workshops
  - ▶ Tools for identifying organics generators
  - ▶ Guidance on what will be expected in EARs
  - ▶ Guidance on what constitutes an organics recycling program
  - ▶ Revised CIWMP Enforcement Policy
- ▶ May-June 2015 - finalize guidance (6 months before initial implementation date)
- ▶ July-Dec 2015 - promote tools/resources via local meetings



# Rural Exemptions

- ▶ Alpine County
- ▶ Modoc County
- ▶ Sierra County
- ▶ Siskiyou County and City of Yreka
- ▶ Trinity County

# April Workshops

- ▶ April 16
  - ▶ Sacramento - CalEPA Building
  - ▶ 9:00 - 3:30
- ▶ April 28
  - ▶ Diamond Bar - AQMD Building
  - ▶ 9:00 - 3:30

# MORe website

- ▶ <http://www.calrecycle.ca.gov/Recycle/Commercial/Organics/>

# AB 1594

- ▶ 2020: Green material ADC ≠ recycling
  - ▶ Will be considered disposal
  - ▶ Exempt from tipping fee
- ▶ August 1, 2018: In EAR, each jurisdiction to provide info on plans to divert this material
- ▶ August 1, 2021: If jurisdiction fails to meet 50% as result, then in EAR also has to ID and address barriers to recycling green material
- ▶ CalRecycle required to update Legislature on status of IWMA fund

# AB 1594

- ▶ Potential impact on jurisdiction compliance with AB 939?
  - ▶ Will ADC not counting as recycling result in jurisdictions failing to meet AB 939 goals and being placed on compliance orders?
- ▶ 308 used green waste ADC in 2012
  - ▶ Only 9 would fail to meet 50% per-capita disposal target as a result
- ▶ AB 939 review process
  - ▶ Per-capita disposal number is indicator but not determinative of compliance
  - ▶ CalRecycle focus continues to be on program implementation

# Guidance on AB 1594

- ▶ Webpage
- ▶ FAQs
- ▶ Annual Reporting guidance
- ▶ CIWMP Enforcement
- ▶ Examples of how jurisdictions are addressing greenwaste ADC
- ▶ **Tool to calculate impact of greenwaste ADC**

# Major Issues in Infrastructure Development

- ▶ Cost compared to landfilling
- ▶ Financing new/expanded facilities
- ▶ Permitting at state level
- ▶ CEQA
- ▶ Local land use decisions
- ▶ NIMBY
- ▶ Ensuring markets to use increased amount of organics materials

# Permitting/Siting Issues

- ▶ Local land use
- ▶ CalRecycle regs on composting and AD
  - ▶ Definition of food material
  - ▶ Requirements for in-vessel digesters
  - ▶ Contamination levels
  - ▶ Land application restrictions
- ▶ Air Districts and ARB
- ▶ Regional Water Boards and SWRCB
- ▶ CDFA



# Markets: Procurement & Demand

- ▶ Markets mostly local or regional - need local demand
  - ▶ Local government procurement - part of 939
  - ▶ Promotion with local residents, landscapers, businesses, Chamber of Commerce
- ▶ Sustainable landscaping
  - ▶ California Urban Water Conservation Council
  - ▶ DWR model water-efficient landscape ordinance
- ▶ CalTrans (and other agencies) - compost and mulch for erosion control and landscaping
- ▶ Agricultural and grazing lands
  - ▶ Water conservation savings
  - ▶ Gov's Office re: soil health
  - ▶ Marin Carbon re: rangeland C sequestration

# Markets: Clean Products

- ▶ Markets local or regional - contamination comes back to our own soils and water
- ▶ Compost already subject to metals and pathogen standards
- ▶ Labeling info: US Composting Council, CDFA re: nutrients
- ▶ Organics certifications - e.g., OMRI
- ▶ Physical contaminants - glass, plastics
  - ▶ Proposed CalRecycle regulations
  - ▶ Working with Water Board and CDFA on other land application issues



# Carrots: State Financial Incentives

- CEC: AB 118 Grants
- ARB: Low Carbon Fuel Standard (LCFS)
- Treasurer's: CPCFA Tax-Exempt Bond Financing, CALCAP
- CalRecycle RMDZ Program Loans
- CalRecycle: Greenhouse Gas Grants/Loans
- CEC/CPUC: Renewable Portfolio Standard (RPS)
- BOE: Manufacturers Tax Rebate
- CPUC: SB 1122 feed-in tariffs ??

# 2014/15 Budget

- ▶ Funding from Cap & Trade revenues
- ▶ \$25 million in FY 2014-15
- ▶ \$25 million again in FY 2015-16
- ▶ Workshop on 15/16 criteria - March 19

# CalRecycle Greenhouse Gas Programs

## 2 Grant Programs (\$20 million)

- ▶ Organic materials (\$15 million)
- ▶ Fiber, Plastic, and Glass (\$5 million)
- ▶ Statewide, competitive

## 1 Loan Program (\$5 million, revolving)

- ▶ Organics & Fiber, Plastic, and Glass
- ▶ Statewide, competitive

# Goals and Co-Benefits

- ▶ Reduce GHG emissions
- ▶ Expand composting & AD infrastructure
- ▶ Expand manufacturing from paper, resins and glass
- ▶ Benefit disadvantaged communities
- ▶ Co-benefits:
  - Enhance air and water protection at organics sites
  - Create jobs
  - In-state biofuel/bioenergy production

# Contact Info

Link to all program documents and application:

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

- ▶ All questions for the Grant Programs  
[GHGreductions@CalRecycle.ca.gov](mailto:GHGreductions@CalRecycle.ca.gov)
- ▶ All questions for Loans  
[Loans@CalRecycle.ca.gov](mailto:Loans@CalRecycle.ca.gov)