Organics Management to Reduce Methane and Climate Change Workgroups

Meeting #8 Notes (November 4, 2-4pm)

- I. Welcome and Agenda Overview
- II. Continue Topic #5 Policy Discussion: Permitting/Air/Water/Odors/Monitoring

a. Policy 1: Add organics management facilities to land use laws

Strengths/Concerns/Issues/Questions

- Wendy W.: Different sizes and scales of jurisdictions might make this unrealistic for some. No one size fits all.
- Sam W.: Composting facilities aren't one size fits all. Feedstocks affect what you're going to be composting. Are we looking at finding a new zoning altogether for composting or are we trying to put it under something else? Are there things being considered not being presented? Composting should not be considered agricultural, but an industrial manufacturing process. Need to define intent on feedstocks.
- Heather: Right now, this is not in most comp plans. This is allowing for more fluidity of process but doesn't require anyone to do it.
- Tim O.: Zoning of composting facilities needs to consider the nature of the feedstock, throughout, and the degree of process control + air emissions capture and control.
- Shannon M.: Doesn't see the need here. Cities already have the authority to integrate it into composting plans. This can be zoned as the municipality sees fit under current zoning.
 - o Laurie D.: Echo what Shannon said. Not sure there is a problem to fix. There's nothing that restricts this from happening.
- Peter M.: Don't limit organics management to composting. Instead, make it a comprehensive definition (e.g., include anaerobic digestion as part of definition.)
- John C.: Think listing this as an essential public facility is a good step. Would shy away from telling cities/counties that they have to identify specific areas for the use of compost facilities. Alternatively, have the state adopt a model ordinance that local jurisdiction could look at. State could adopt the model ordinance as a rule unless local jurisdictions make their own.
- Laurie D.: Echo what Shannon said. Not sure there is a problem to fix. There's nothing that restricts this from happening.

b. Policy 2: Create incentives for composting/anaerobic digestion and similar facilities

- Peter M.: Are you considering new incentives that would require legislation?
 - o 6-year property tax deferral on new AD projects. Reinstatement would be helpful to startups.
 - Sales tax exemptions 3 choices
 - 1. Target cost of energy

- 2. Tax exemption for hardware associated with utility sales
- 3. Dept. of Revenue Taxing exemption for emerging carbon markets
- Wendy W.: Where is the money coming from? Is it being diverted from other things?
- Tim O.: <u>CalRecycle has offered grants</u> of up to \$3M to composter facility and AD developers to build new capacity. These funds have helped build many facilities over the last 5+ years.
- Laurie D.: Are we just talking financial incentives?
 - Heather T.: Any incentives are on the table. Other land use incentives (e.g., setbacks, higher buildings, etc.)
- Jeff W.: There could also be B&O tax credit for compost/energy sales. There could also be some form of credit within a future Carbon Tax structure.

c. Policy 3: Add capacity to permit coordination function

- Andy S.: Echo last meeting about challenges of navigating the permitting system. Businesses are befuddled by permit process. Technical assistance would be super helpful and reflective of a need we hear from businesses.
- Laurie D.: EFSEC is not a good avenue to go down. Not all are energy facilities
 - Paul J.: Agree with Laurie. Counties would not support EFSEC. It predated GMA. Not a good fit for this and is mostly for alternative energy facilities. Would get a lot of opposition for local governments.
- Wendy W.: Great idea to simplify permitting for multiple jurisdictions involved. Need to think carefully about which agencies are involved and timing.
- Tim O.: Lacking someone with bandwidth and knowledge to understand and effectively evaluate composting permitting. There is a knowledge gap. Need someone championing the permitting of these facilities with a deep technical understanding. Need someone on call to help.
 - o Kate K.: I concur with Tim that the Ecology statewide permit for biosolids is a good model
- John C.: If you want a person who businesses can go to for permitting assistance, Commerce would be a great place. In terms of expertise, there are experts in air permitting agencies (e.g., PS Clean Air Agency).
 - Tom O.: Local air agencies do not have bandwidth or funding to offer in-house expertise. Capable, but often dealing with other agencies. Needs to be a state level person to be shared as an asset.
 - John C.: In terms of getting something permitted understand a lot of agencies don't have resources the state could provide resources to those areas. When you have someone from a regional agency versus someone from the state, it can go over better when you're siting, especially something with a lot of public opposition.
- Peter M.: EFSEC can't be used under current law. Process between ecology and Commerce to streamline permitting that have carbon reduction benefits. If there is an energy component, it would fit there. ORIA housed at commerce maybe a better place to house a multijurisdictional permitting process since it crosses air, water and waste. Interagency coordination effort would help.
 - Mary H.: <u>ORIA</u> a WA agency is supposed to provide regulatory assistance.

d. Policy 4: Change air permitting structure

Strengths/Concerns/Issues/Questions

- Craig K.: The rules for notice of construction are in state implementation plan. Changing this would require changing that plan that is a multi-year process that EPA would have to be engaged in. Given WSU Study would want to provide info to provide to EPA. This is multi-year effort with no guarantee that EPA would approve it.
 - Heather T.: Are there other states that have been successful?
 - Craig K.: Maybe CA has it built in, but not aware of others that have done it differently from the current model.
- Laurie D.: Very tricky one. Permitting authority comes from Clean Air Act which is a federal rule. Not a simple state rights regulation or statute. It must go through delegative process with EPA. A tough road to hoe.
- Andy S.: Super challenging. Notice of construction approach makes regulators risk-averse because it frontloads all the risk. Should regulations be more involved throughout rather than having to make all the calls up front?
 - Craig K.: The upfront process is by design to ensure that things are figured out before things are built. This is the way Congress wrote the act, a long time ago.
- Tim O.: Permitting conditions in states is incredibly variable. Not necessarily aligned with level of air quality issues. There is not consistency in how air quality organizations deal with it. There is leeway in the application of the structure. Maybe things that can be done to make it more science-based and more up to date.

e. Policy 5: Increase training requirements (+funding for agencies)

- Tim O.: CREF Compost Research and Education Foundation, organized under the US Compost Council
- Sam W.: We already have a requirement written into 173-350-220 WAC to have people in composting facility be certified through one of two programs. If we require this, we need to offer more training and it can't be volunteer-based. Need to staff it and provide funding. Professionals need the same level of opportunities to offer these. How would it be equitably distributed?
 - Heather T.: Is this a business opportunity? For someone to create an infrastructure.
 - \circ Kate K.: It could be a business opportunity, but it would need a LOT more to attend.
- Tim O.: Small # of compost operators and managers compared to other industries. There's not a very big pool to generate revenue from. There's no current financial incentive. It would take a lot more funding to pay professionals at a professional rate to develop materials and do trainings.
- Jeff W.: How does this improve upon the existing training requirement?
- Heather T.: The current training is terrific. The goal would be to get more people trained and get training updates, etc. This was an issue raised when Zero Waste Washington did interviews for our report there was turnover and that more training was needed.
- Sam W.: Looking at all composting facilities, how big of a problem is this?

• Tim O.: The development of regular video training events would be worthwhile.

f. Policy 6: Update measurement standards

- Craig K.: Want to see what WSU data looks like. Very important is cost factor conversation. Indoor facilities have little cost to neighbors. If we set
 this goal, need to look at projected fee increases that is needed to capture the cost of the facilities. Need to capture the cost of reducing the impacts
 on the neighbors. Indoor facilities have less impact on neighbors but are more expensive. BMPs being followed? Odor issues can be a real problem.
 Permitting system is not a problem the reputation of facilities is the problem with expansion. (e.g.: Kern)
- Tim O.: Don't agree that putting a facility in a building necessarily solves the problems. Enclosing and using BMPs does not solve the problem.
 Process conditions are a major factor in VOCs and odors. Indoor facilities and volume are so expensive that they have to do things that contradict
 BMPs and have high odor issues. Upswing in tipping fees in CA all clients report that they have lots of request to take more materials. Getting
 more food waste is more complicated to deal with in terms of contaminants. There are some facilities that are in-vessel but small minority so it is not what is driving tipping fees.
 - Andy S.: Echo what Tim said. Try to ease that by permitting differently to bring on capacity quicker. Maybe there should be risk-based approach to permitting. Need to reduce perceived risk from regulators and permitters. Is there a better way to handle the risk management? Is there a way to figure out what good permitting looks like?
 - Craig K.: Good operation of systems is what works best.
- Jeff W.: I think may be putting the cart before the horse. Until we have a better understanding of the true emissions everything else is speculative solutions.
- Heather: The ongoing WSU study about emission factors play into this.
 - Tim O.: Yes, will produce easily measurable KPIs. Trust, but verify.
- Jay B.: What are the thoughts on differences on processing technologies for in-vessel or other technologies. How would KPIs differ?
 - Tim O.: The science is the science. Technology is not the difference maker. Different levels of capture control, but process elements stay the same.
 - III. Presentations to share background on Topic #5: Local governments/UTC/Infrastructure/New technologies, Geographic issues/Apple maggot/Localized/Rail
 - a. Peter Moulton, Washington State Department of Commerce (re anaerobic digest)
 - i. Discussion included food waste in terms of adding energy value, off farm digesters, and waste management challenges. Also discussed was how adding food waste can increase biogas yield and the importance of not upsetting the biological system.
 - b. Paul Jewell, Washington State Association of Counties
 - i. Discussion included whether any rural counties are considering putting in a facility. There is currently one county with an organics waste facility where they do composting on-site. Other counties are observing what is happening with organics

management and may be put into a position to consider this because of their location or amount of volume they have available. This may not lucrative for private markets.

- c. Amy Clow, Washington State Department of Agriculture (re apple maggots)
 - i. Discussion included whether there are any counties with actual transport of this material. Okanogan is currently the only one. Other counties have permits for transport of solid waste.
- IV. Next meeting: 11/18, 2-4pm
 - a. Continue Topic #6 discussion and presentations for Topic #7: Education/Generator behavior change/Source reduction/Technical assistance/Contamination/Labeling
- V. Meeting notes and presentations will be posted on <u>www.OrganicsWorkgroup.org</u>