## Organics Management to Reduce Methane and Combat Climate Change Workgroup

Meeting #9 November 18, 2021



# Housekeeping

- Please mute your lines if not speaking
- If you are having technical difficulties, chat Sam Kwok
- Presentation portion of today's meeting is being recorded
- All our presenters will present and then we will have time for Q&A
- Please raise your hand by clicking on the "participants" button and clicking on the hand by your name if you have a question
  - I will call on people
- You can also put questions in the chat at anytime and we will answer them during the Q&A portion

# Meeting #9 Agenda

#### Welcome and Agenda Overview

**Presentations:** Topic #7 Background: Education/Generator behavior change/Source reduction/Technical assistance/ Contamination/Labeling

- Jay Blazey, Cedar Grove
- Susan Thoman, Composting Manufacturing Alliance
- Geertje Grootenhuis, San Diego Food Alliance
- Samantha Winkle, Waste Connections
- Q&A (Workgroup Members & Observers)

Continue **Topic #6 Presentations and Policy Discussion:** Local governments/UTC/Infrastructure/New technologies, Geographic issues/Apple maggot/Localized/Rail

- Derek Ruckman, WasteXperts (re tipping fees)
  - Q&A (Workgroup Members & Observers)

#### Policy 1: State assistance to local governments

Workgroup Member Input: Strengths & Concerns/Issues, followed by Observer Input

#### **Policy 2: Tax incentives**

Workgroup Member Input: Strengths & Concerns/Issues, followed by Observer Input

#### Policy 3: Increase landfill tipping fees

Workgroup Member Input: Strengths & Concerns/Issues, followed by Observer Input

#### Policy 4: Industrial symbiosis

Workgroup Member Input: Strengths & Concerns/Issues, followed by Observer Input

#### Policy 5: Pilot Pay-As-You-Throw for commercial generators

Workgroup Member Input: Strengths & Concerns/Issues, followed by Observer Input

#### Next Steps and Adjourn

# Work Group Structure and Role

**Purpose:** Improve organics management system in Washington is order to reduce methane and combat climate change.

**Role:** Using California SB1383 Law as a starting point, gather stakeholder input to inform policy tailored for Washington.

# Work Group Structure

- Made up of a diverse set of stakeholder
   organizations
- Each organization gets one seat at the table
- Others can join as observers (there will be a spot on each agenda for observers to comment or ask a question)
- Two meetings per month through end of year
- Meeting content will include:
  - Presentations of background info
  - Discussion of topics included in possible legislation:
    - If there is agreement on a topic, that will be noted
    - If there is not agreement, issues/concerns will be identified
- Copies of information from each meeting will be posted at: <u>organicsworkgroup.org/</u>

#### Agenda Committee

- Local Gov't: Andy Smith
- Environmental: Heather Trim
- Waste Management: Brad Lovaas
- Composter: Majken Ryherd
- Any other interested sectors?

# Subcommittees

Food Subcommittee	Policy Subcommittee
Mary Harrington, Dept. of Ecology	Majken Ryherd, Cedar Grove
Aaron Czyzewski, Food Lifeline	Logan Harvey, Recology
Robert Coit, Thurston County Food Bank	Laurie Davies, Dept. of Ecology
Liz Fikejs, City of Seattle	Wendy Weiker, Republic Services
Heather Trim, Zero Waste Washington	Andy Smith, King County
	Aaron Czyzewski, Food Lifeline
	Rod Whittaker, WRRA
	Heather Trim, Zero Waste Washington

# Topics (revised per agenda committee input)

- Food waste source reduction/diversion/rescue/ rescue groups (8/5 & 8/19)
- 2. Sources (Yard/Food/Wood/ Dairies/Ag) & Sectors (Business/ Commercial/Industrial sources/Multi-family/single family) (8/19 & 9/16)
- 3. Financials/end-markets/ purchasing, Soil health/ nitrogen cycling, Regenerative agriculture (9/16 & 10/7)
- 4. Energy generation/Credits/ Carbon sequestration/Nutrient

recovery/Incentives Equity (10/7 & 7. Education/Generator behavior 10/21)

- 5. Permitting/Air/Water/Odors/Monit oring (include siting and current facilities) (10/21 & 11/4)
- 6. Local governments/UTC (funding, 9. Targets/Performance standards financing, collection, rates, etc., collection approaches, embedded rates; disposal rates/tipping fees; infrastructure/new technologies, geographic issues/Apple maggot/Localized/Rail (11/4 & 11/18)

change/Source reduction/ Technical assistance/ Contamination/Labeling (11/18 & 12/2)

and reporting (12/2) & Legislation

10. Legislation (12/15 & 1/6)

Topic 7 Presentations: Education/Generator behavior change/Source reduction/ Technical assistance/ Contamination/Labeling

# Topic #6 Presentation

# Topic #6 Policy Discussion

## **Policy 1. State assistance to local governments**

### Large grants

- Direct relevant agencies to review existing grant programs for both public and private projects to advance organic waste management facility development
  - Public: Fold into to existing, multiple capital state-funded programs or add more a targeted approach (nutrients-energy-water technologies) (see Infrastructure Assistance Coordination Council list)
    - Stimulate innovation: above and beyond regulatory minimum
    - Makes it ongoing
  - Non-public: Inslee's CEF Rural Energy: <u>On-Farm</u> Dairy-Digesters Assistance program (at least one more round).
    - Maintain rural energy approach that would include digesters
    - Evolve to offset projects under Climate Commitment Act/Clean Fuels Program
- New one-time targeted grant program to create infusion for public-private partnerships
- Ongoing technical assistance
- Statewide education campaign
- Model ordinances

## **Policy 1. continued**

- Ongoing contracted technical assistance
  - Expert team that goes out on regional basis to help figure out what they need and provide targeted assistance
- Statewide education campaign to reduce contamination
  - Research to create strong messaging (aka Don't mess with Texas)
  - Grant program to local governments with support material (expand existing grants)
    - Each local jurisdiction runs their own ed program but coordinated across the state
- Model ordinances (pre-do SEPA)

## **California Greenhouse Gas Reduction Grant and Loan Programs**

### Large grants

These programs are part of **California Climate Investments**, a statewide program .... The Cap-and-Trade program also creates a financial incentive for industries to invest in clean technologies and develop innovative ways to reduce pollution. California Climate Investments projects include affordable housing, renewable energy, public transportation, zero-emission vehicles, environmental restoration, more sustainable agriculture, recycling and much more. At least 35 percent of these investments are made in disadvantaged and low-income communities. For more information, visit <u>California Climate Investments</u>.

- Food Waste Prevention and Rescue Grant Program
- Organics Grant Program
- <u>Recycled Fiber, Plastic, and Glass Grant Program</u>
- Greenhouse Gas Reduction Loan Program
- <u>Reuse Grant Program</u>
- <u>Community Composting Grant Program</u>

https://www.calrecycle.ca.gov/climate/grantsloans





#### **Tools to Educate Local Leaders**

City council members, city and county boards, and other high-level decision makers need to start planning today to adequately resource and implement the programs that will be required in the SB 1383 regulations. CalRecycle has developed a PowerPoint with talking points and a short, 3-minute video that jurisdiction staff can use to educate local decision makers on the primary elements of the law. The PowerPoint is customizable so that local jurisdictions can tailor presentations to their audience.

New Elected Officials web page available now.



An Overview of SB 1383's Organic Waste Reduction Requirements



## **Federal bill:** The COMPOST Act (\$2 billion over 10 years) *Cultivating Organic Matter through the Promotion of Sustainable Techniques*

- 75/25 cost share. \$5 m max per project
- Eligible projects
  - Composting facility or site **permitting, planning, and construction**.
  - Acquisition of **machinery, equipment,** and other physical necessities required to operate a composting facility, system, or program, except depackaging equipment.
  - Activities to increase the **production capacity** throughput of a composting facility.
  - Implementation of **onsite composting systems and programs** (e.g., home composting programs, community garden and urban farm composting, and onsite at institutions, nonprofits, and businesses).
  - Projects that are based on a **distributed infrastructure strategy** (such as a strategy that in corporates a mix or choice of home composting, farm and ranch composting, onsite composting, community-scale composting, or centralized commercial composting).
  - **Collection** of organic waste intended for processing at a composting facility or system, or through a composting program, including curbside pick-up programs, community drop-off programs, and facility- or event-specific programs (such as programs at schools, restaurants, stadiums, or festivals).
  - Activities for land-based compost application, including compost application on a farm or ranch.
  - Market development projects that create a demand for compost product or increase commercial and residential participation in composting.

## Input: Policy 1 – State assistance to local governments

# **Policy 2. Tax incentives**

- B and O tax on gross proceeds (which hits the smaller startups harder)
  - Offer a reduced rate for organic management facilities, [that handle food waste]
  - Existing example: wood-based biofuel generators

## Sales and Use

- Expand existing sales tax exemption on digester systems to also apply to:
  - Inter-ties to energy offsite system (pipeline or electrical) and associated upgrades (i.e., what it takes to get it to market) and slurry lines for co-digesting at WWTPs.
- Expand to other facility types?
- Explore exempting sales tax on sales of energy credits under the state programs (CFP)

### • Property and Leasehold

- Expand/extend: tax deferral for 6 years, shifting the tax burden over a geography (shift to county
  neighborhood who will benefit from the facility (v. small amount per other tax payers)) and expand to other
  facility types
  - This already is already in place for digesters (expires 2024) and was in place biorefineries (expired 2015)

### Input: Policy 2 – Tax incentives

# **Policy 3. Increase landfill tipping fees**

- Tax
- Base fee
- Disposal fee



### Input: Policy 3 – Increase landfill tipping fees

# **Policy 4. Industrial symbiosis**

Industrial symbiosis: Incentivize using excess steam from industrial and energy sources to treat organic waste collected in urban areas prior to transport east (re apple maggot).

### **Direct Heat Treatment**

The entire quantity of municipal green waste that has been mechanically ground or shredded is exposed to 74°C (165°F) for 4 hours, 80°C (176°F) for 2 hours or 90°C (194°F) for 1 hour using wet heat.

*From:* Options for the Processing and Disposal of Municipal Yard Waste Generated in Apple Maggot Quarantine Areas (Ecology publication 18-07-026 (2018))



### Input: Policy 4 – Industrial symbiosis

## **Policy 5. Pilot Pay-As-You-Throw for commercial generators**

Encourage municipalities to pilot Pay-As-You-Throw (PAYT) collection systems based on **weight** instead of volume for commercial collection.



https://www.biocycle.net/california-city-advances-commercial-organics-recycling/

### Input: Policy 5 – Pilot Pay-As-You-Throw for commercial generators