DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY

In the Matter of: ) Docket No.
SB 1383 - Reducing )
Short-Lived Climate Pollutants )
in California )

CEQA SCOPING MEETING

Department of Resources Recycling and Recovery (CalRecycle)

CalePA BUILDING
BYRON SHER AUDITORIUM
1001 I STREET
SACRAMENTO, CALIFORNIA

TUESDAY, JANUARY 22, 2019
9:56 A.M.

Reported by: GIGI LASTRA

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APPEARANCES

CALRECYCLE STAFF PRESENT:

Mark de Bie, Deputy Director, Waste Permitting, Compliance and Mitigation Division, CalRecycle

Hank Brady, SB 1383 Implementation Manager, CalRecycle

PUBLIC COMMENT:

Evan Edgar, California Compost Coalition
Dan Noble, Association of Compost Producers

Arthur Boone, Center for Recycling Research

Larry Sweetser, Rural Counties Environmental Services Joint Powers Authority
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NOTE: PARTIAL TRANSCRIPT – MEETING WAS SCHEDULED TO BEGIN AT 9 A.M. BUT, DUE TO TECHNICAL DIFFICULTIES, WEB BROADCAST DID NOT BEGIN UNTIL 9:56 A.M. WHEN MEETING WAS ALREADY UNDERWAY.

MR. EDGAR: [Recording started midsentence.]

Transportation environmental effect. Couple that with land use and land use planning, right now that’s determined not to have a significant impact on a program. I think that should be elevated with land use and land use planning.

As you know, a big component of 1383 is -- and its programs disadvantaged communities and trying to site these facilities in disadvantaged communities is a challenge. But what we’re showing is at these facilities, especially at anaerobic digestion have been shown -- and compost are net zero facilities with regards to greenhouse gas productions. When you made the fuel at these AD facilities, it’s a carbon negative fuel with a transportation element being a near zero oX and a lot of these facilities are source separation facilities where we maintain organic standard for our compost which is near zero pesticide use when you use it for sustainable ag.

So under land use and land use planning and looking at the disadvantaged community component, I think as a big criteria the net benefit of this program EIR, that should be
elevated because it’s a net positive impact of net zero emissions with net zero zoning. In a [indiscernible] a lot of local Climate Action Plans.

At the local level when I worked with the city of Pittsburg or county Tulare and all where I have projects, we work with the Climate Action Plan at the local level and every one of them have SB 1383 components from 2012. I mean, you feel like any kind of Climate Action Plan from ’06 to 2012 they want alternative fuels, renewable energy, waste diversion, and compost use.

So at the local level by having the Climate Action Plans already have those components, the ability to permit these facilities at the local level is great, has been done in practice, we’re doing it now. But it’s so important to have this program EIR state that in the land use and land use planning aspect in order to allow as it says in your overarching NOP to allow local government to use this at the local level for permitting. So I would put that aspect up — I’d move that up in land use and land use planning into a significant impact category.

MARK DE BIE: My recollection of that particular item in the checklist is more on broken use of kinds of impact in our local project create more housing more this that sort of things. But certainly, it’s an area where we can look at benefits too.
UNKNOWN SPEAKER: Yeah.

MR. EDGAR: Great. I’ve got more comments on this.

[Several speakers talk over each other]

MR. DE BIE: Just make sure, anyone else?

HANK BRADY: Other comments in the room?

MR. DE BIE: A lot of good interested parties here but none are sharing.

MR. EDGAR: Okay. I’d love to share.

Evan Edgar, engineer for the California Compost Coalition.

Under the agriculture and forest resources such as the agriculture, I believe that is -- should be moved up to beneficial impacts that are significant. The CFA released a report this month on the working lands. Within that report, they talked about the 2030 compost use and the benefits of compost.

And they have a metric, they get to 2030 to increase compost use on agriculture irrigated crop lands from 20,000 to 40,000 more acres per year to the year 2030. That’s the metric that this came out that we’ve been working on for years. That translates to about 5.8 million metric tons of greenhouse gas reductions with all the cobenefits that Dan was talking about if you were to take all that pesticide replacement, water savings. I mean, for fertilizer or replacement, it works out to be 5.8 million metric ton per
year. So under the agriculture sector of this EIR under compost use, there’s already metrics available. And that’s number about twenty to forty thousand acres -- acre per year translates to the SB 1383, 75 percent diversion number.

So I kind of link all the different pillars together under healthy soils and methane reduction where there’s a nexus and there’s harmony with regards to all the organics you take out of the landfill, you make digestate there and AD and then compost with CASP that amount of compost translates into the number that CalMAN is the CalMAN and comet models used as part of the natural working lands and there’s $18 million budget line item for health soils initiative.

So within this program EIR, I would elevate agriculture and the healthy soils program as significant net benefit that would be that offtake agreement for all the compost and digestate that would come out as program EIR.

MR. DE BIE: Okay. Great. Again, you know, initially you look at what the negative impacts are. That’s [indiscernible] of certain CEQA.

MR. EDGAR: CEQA life-cycle. I’ve been told many times that CEQA looks at the benefits as well.

UNKNOWN SPEAKER: Right.

MR. EDGAR: And the significant benefits. And those should be enunciated as part of the program EIR.

DAN NOBLE: Impact, the mitigation of the impacts.
Right. So I mean, I would imagine if you looked at the checklist for CEQA and you have two columns, one is impacts and the other one is benefits or impact mitigation, in each of these categories, I mean, you just spoke with one agricultural and forest resources, absolutely. I don’t think you have -- you have more positive impacts. I guess you can call that mitigation rather than negative impacts.

MR. EDGAR: And they’ve been quantified with us --

MR. NOBLE: Yeah.

MR. EDGAR: -- just for agency document over the working --

MR. NOBLE: Absolutely.

MR. EDGAR: -- model [indiscernible] worked on for three years using comets ladder and working with all the metrics or working lands. So we’re trying to [indiscernible] with pillars and have this working group among all the interagency agreements to have this program in harmony with healthy soils and methane mitigation. The action is a great nexus there, the metrics are in place, you don’t even have to do the math, comet model and working lands has done it for us.

MR. NOBLE: And also with water because water is, you know, 90 percent of the water that we use in our state goes on soil first. 80 percent for ag and then half of this urban water for our landscapes.
So you can say I think with a straight face that if you’re not managing in your soils and the way to create healthy soils is by adding organic matter, of course, your compost. You know, you’re not managing your water environment. And those have demonstrated benefits that even, you know, that are published even, you know, all over the CalRecycle website.

MR. BRADY: I just want to make a quick announcement.

We apparently have audio working yet on the webinar. For folks that are participating online, we will be posting this meeting as a second webinar. We’ve had some technical difficulties that have made it difficult for folks to participate via the webinar, so we will be posting this again so that folks can provide a feedback remotely. We’ve been today primarily taking comments from folks in the room but we will be holding a second meeting to go over the CEQA, NOP process.

UNKNOWN SPEAKER: Are you going to talk to that after today or some other day?

MR. BRADY: We don’t have a time for that yet.

Are there other comments in the room? Otherwise --

MR. EDGAR: I’ve got one more, my last one.

Public services. Evan Edgar, engineer for the California Compost Coalition.

Public service and utilities are important component.
One of the papers that is a great resource document to bring metrics under air quality to this program EIR is the CAPCOA paper that was helped produced by CalRecycle, CARB, and CAPCOA in regards to compost in California. Addressing air quality permitting regulatory issues to expending infrastructure. Great, a lot good information inside there should be used on metrics and analysis has already been done for you.

With regards to one of the aspects of the public services is that one of the options that CAPCOA looked at was designating compost facilities as an essential public service. And that’s an important aspect. So under public services seeing that this is mandated and there’s a significant amount of facilities that we have in front of us in the program EIR that basically this is essential public service such as waste water. And so by having that designation’s key, I believe this program EIR should look at designating compost facilities as an essential public service with information provided in a compost facility.

There’s a lot of reasons why people pose that with regards to a new source at a federal level they say things they can’t do with regards to the permitting aspect, but this is environmental analysis aspect of it where the net benefits across the board on criteria pollutants, NOx and greenhouse gases are significant on these facilities that are essential
public services. And I guess the benefit which is not a CEQA issue is that they still have to apply for the new source review because the federal -- we don’t have to pay the offset fees.

Offset fees [missing recording] they’re even available for the compost industry for this program EIR could be up to $54 million in just in offset fees. I have those numbers in my comments I submitted so this is a significant detriment to the development of industry, especially when this essential public services is shown to be a net benefit to the current public services. I believe that analysis should be put in this program EIR to designate compost facility as essential public service.

MR. DE BIE: And push the scope of what you can do in the EIR.

MR. EDGAR: Look at net benefits. There’s net benefits here across the board that from baseline conditions over landfills that are evident and prudent with the numerics, numbers, and emission reduction factors that we couldn’t do years ago under the scoping plans because it didn’t have the data. So for many years a lot of public agency is we don’t have the data.

And environmental groups don’t have the data so they don’t know. They don’t know what they don’t know. But we do know after all these years, we do have the data from CAPCOA
and the working lands group from CARB. All that data is available in different silos. And you combine the silos into a program EIR, you actually get something out of it. That’s a hope of this program EIR so you that would actually develop 60 CASP compost facilities in California and 26 AD facilities using your current program EIR you ever develop for anaerobic digestion facilities in 2011. That should be brought in the equation because that is shelf ready.

Back then they didn’t do a numerics on the cobenefits because there wasn’t data we have today. So that information of program EIR for AD facilities could be upgraded and added to this for the 26 facilities over baseline conditions we have in this program.

MR. NOBLE: I have a question.

UNKNOWN SPEAKER: Yeah.

MR. NOBLE: I don’t fully understand how this program EIR may or may get used or modeled or by the local jurisdiction at least when they’re doing specific projects.

MR. DE BIE: CEQA allows lead agencies to [unintelligible] CEQA record and utilize past documents to support their approvals. It’s really a theme in CEQA is not to redo, not to make another wheel. So if there’s analysis out there, then we can cite that and reference it and use that analysis, we don’t have to do it again.

MR. NOBLE: Got it.
MR. DE BIE: So -- so program EIR functions in that way. So there’s a level of analysis that gets you down to a certain level --

MR. NOBLE: Right.

MR. DE BIE: And suggests a [indiscernible] perhaps mitigations might be, you know, something that may be useful and then a local lead agency, city, county that may have approval can reference that and use that and not have to do the analysis to support that again.

MR. NOBLE: Right. And to address some of those considerations or concerns, they’re very real here in the California organics industry and we’ve had a lot of discussions about the problem of contamination. And certainly as we move up to -- yeah, Ken is already, is very familiar with this problem and we’re trying to address the problem. The California industry may need a way that hasn’t been addressed to [indiscernible].

How we do that, we have a contamination working group. But as we go from, you know, less than 50 percent to organics recycling across the board to 75, as we all know and it was even mentioned in -- in the SRIA that this material is more highly contaminated. And as soon as you bring in the food scraps, it comes with a lot of plastic because we used a lot of plastic around our foods. You know, from growing to end use and even throwing it away.
So I think as we develop the market at each stage in the organics value cycle from collection to processing to use, we’re having to deal with the purification and the separation of the compostable versus the noncompostable streams. Because as we see in the plastics industry, you know, food is contaminating plastics. And as we see in the food and the organics industry, plastics is contaminating food.

So if we’re ever going to get down further down the path on zero waste, we’ve got to solve this problem. And we solve it in the materials management network starting with the generator. So it doesn’t include any one method is what we’re finding. We’ll have a guidebook for composters that’s on this issue by the end of the year, I hope. But while we’re going through this process. But what that brings up especially when you bring in the energy considerations is that the organics is intimately tied into the local economy both in terms of the energy transition from fossil fuels to biofuels to the solar energy whether, you know, in getting all your electricity from solar.

What that says is that the markets are all in transition right now. But we still need to be market based. We can’t -- we’re not going to create a total municipal economy for all of these. Although water is mostly municipal. Solid waste is municipal and for privatized
through franchise is an energy even going through its big
transition especially up here thanks to PG&E and its
bankruptcy and the potential breakup of the utilities into,
you know, more distributed utilities.

So I think the markets are in supreme flux and make
me want to make -- I would like to see that the EIR supports
the transition and the development of local markets as based
on local market conditions. And that includes the trash
trucks or the buses whether they’re going to renewable
natural gas or -- you can’t put all that in the EIR but I
wouldn’t want to see the EIR restrict any of those innovation
options will be occurring at the local level and in fact are
incurring. I guess that’s just [indiscernible].

MR. DE BIE: Just an observation about some benefits
and a lot of good discussion about that. One way that that
can be expressed, if you will, in the EIR is here’s a
potential impact. You can reduce that impact to less than
significant by utilizing these strategies or this methodology
developing local markets. This reduces potential impacts on
long haul transportation.

MR. NOBLE: Right.

MR. DE BIE: So -- so that kind of input will help us
immensely to link up here’s a potential impact but here are
things you could do to set up or affect that and eventually
reduce it as a mitigation measure. So it’s -- I think I
envison that that may be how it’ll fall out in the document.

So as we progress through this process, maybe you folks can kind of keep that in mind if you want to advocate for that kind of thinking, help us make the connections would make it easier for us to find a way into the document.

MR. NOBLE: Great. We’ll do that.

UNKNOWN FEMALE SPEAKER: We just want -- maybe a question. I know you’re having technical difficulties, but I was hoping to hear a little bit more from local government, people that [indiscernible] to the checklist. Is there a particular outreach in going there? Because obviously that has major impact. I know Larry’s here, but there’s a lot of folks that are in from the areas and I just wondered that.

MR. DE BIE: Well there were a hundred plus that tried to listen so I’m sure some of those represent jurisdictions, I’m going to guess.

We did publish the availability of the NOP through the -- through the list serve for 1383. And so anybody that’s been following the development of the regs was aware of this process beginning.

SPEAKER: We have gotten comment letters from at least one or two.

MR. DE BIE: Yes, one or two, definitely. Yeah.

MR. BRADY: Yeah, I suspect many of our participants online were local government folks. And that’s part of why
we’ll be doing this again. We did get some of the -- the comment period was open from December 12th to January 10th. We did get some local government comments as well as local air district comments on the NOP. And certainly we want to have this forum again so that we can get those comments.

MR. EDGAR: Evan Edgar, engineer for the California Compost Coalition.

The program EIR is a venture that takes partnerships as well as working group. I heard that there was a meeting for going out to RFP to hire a consultant to conduct this RFP. And the last AD program EIR you have to have a working group of experts, technical experts in the field.

I would suggest that whatever consultant is selected for this program EIR, that CalRecycle have a working group of folks that could help participate from industry. Because sometimes the program EIR selected consultant may not have expertise in the subject matter when it comes to compost and AD but they’re great firms in regards to transportation and energy. So whatever consultant is selected, if you can have a working group that would be a great attribute to have these comments go forth and provide a method of information that would be readily available.

SPEAKER: I think that’s in the RFP.

MR. BRADY: Yeah, I was going to say that -- defer to Mark, I think that we did include that as an element in the
RFP.

MR. EDGAR: The RFP, I’m not -- I’m not bidding on it.

MR. NOBLE: I just downloaded it last night, so I hadn’t read it either.

MR. BRADY: Yes. But we will be selecting a contractor soon and I believe that’s identified as part of the tasks for the contractor but we have to look at that.

MR. EDGAR: There are projects scheduled for this program EIR, different benchmarks to have it ready?

MR. BRADY: Yes, there are timelines. Go ahead.

MR. DE BIE: Yeah, just holistically is CEQA EIR development process would be timed so that as the project regs are firmed up we’ll be able to then use the project to fine tune the draft EIR.

So there’ll be some beginning efforts and then we’re predicting maybe around the first 15-day, the reg should be pretty tight. Yet to be determined, we’ll see, but that’s what we’re assuming. So we’ll start looking at making public draft documents soon after that, I think. So.

MR. BRADY: Okay. Any other comments in the room on the --

ARTHUR BOONE: We have to listen to this [indiscernible]. I think what is good for the people who might have questions about whether that would say that I
I don’t know [indiscernible] what you do, but I know what he says, what [indiscernible] says. But I see everybody, people like that and then other people might have questions about its representation, what’s going on. I see -- the way I see this plan right now is we’re going make essentially the same mistakes they made five years ago. Now I know [indiscernible] but I’m not -- I’m not [indiscernible].

MR. NOBLE: I think it would be good to hear from them. Do you have those references, we could work off [indiscernible].

MR. BOONE: He might be willing to come, you know, somebody’s got [indiscernible]. He’s a very nice man, he’s very smart [indiscernible].

MR. DE BIE: Yeah, if you can send us some contact information. And send us contact information and maybe a resume so --

MR. BOONE: Yeah. Okay --

MR. DE BIE: -- that we can have a look at it.

MR. BOONE: -- I’ll send you that.

MR. DE BIE: Great.

MR. EDGAR: Evan Edgar, engineer for the California Compost Coalition.

I do a lot of technology transfer for anaerobic digestion facilities from Europe. And there’s a whole set of
European companies that concentrate their feedstock on source separation organics. As part of that, they make a value compost. In the European market, that energy goes to the grid. They have a whole different set of incentives and need over there so they don’t make the transportation fuel like we’re proposing in California RNG. But there are a whole set of technology that we do know about in Europe, we’ve studied Europe, and we used European technology through South San Francisco, throughout California, and there’s more European technologies coming.

SPEAKER: Right.

MR. EDGAR: What I think what Art’s talking about is some of the early cases of mixed waste processing with contamination. And in London and Europe and throughout England is that call it M -- biological treatment, MBT, mechanical biological treatment, MBT. That stuff cannot be used as compost, nobody wants it, it’s landfill.

So, yes, throughout Europe if you have some early technologies or if you use mixed waste without any source separation and you -- you use the volume or get some energy out of it, that MBT, mechanical biological treatment, does make a bad material that is banned from use of the compost. And we support that.

So it makes no sense to use MBT as anything but landfill. So that’s the industry that we are bringing to
California, it’s not that industry. The European technology is source set for organics that would get the energy out of to make a valued compost for the agriculture.

MR. BRADY: Thanks, Evan.

And just one thing is -- this is really more specific to the regs than the EIR but we have sought to provide clarity in the regulatory text itself that regardless of the processing technology that takes place, any residual material that’s sent to a landfill would be considered to be disposed. Simply having the material arrive at a compost facility does not mean that it’s been recovered.

And so we’re trying to make that very clear both in our ISOR documents explaining the regulatory text and the regulatory text itself. But I think we are in agreement on that point in terms of materials going to a landfill, it is disposed.

And so not -- if there are not any other comments in the room, hopefully folks on the webinar are able to hear. We did see a number of comments, most of them asking about some of the technical difficulties we were having earlier, but to get to those comments, we will be holding another webinar soon. We have to figure out the timing. It will be -- we want to be respectful of folks’ calendars to give them enough time to plan to participate online but also we’ll want to schedule that fairly soon. We will send out a notice
on the SLCP listserv confirming that and then identifying the time as well.

So apologies for folks that were seeking to participate online but we will be providing another opportunity for that.

And anyone that’s in the room that would like to do this again, you’re more than welcome to join via webinar.

Do you have any closing comments, Mark?

MR. DE BIE: Maybe to help folks stay engaged, too, if you want to provide comments, I think we can notice a way to do that between now and the next webinar. And that may help us affect the agenda for the meeting. So for -- for example, we’re seeing a lot of comments, maybe we can make statements relative to that and recognize those so that they don’t have to be repeated again when we have the webinar and be more efficient that way. So.

So I think we can save these questions that did come in relative to issues. And then we’ll -- in the notice, we’ll indicate how people can share additional comments ahead of the webinar, again, with an expectation that we could summarize those, respond to those, recognize those so they don’t have to feel pressured to share them again with us.

MR. BRADY: Yes, Larry.

LARRY SWEETSER: Are these additional comments on the Notice of Preparation [indiscernible].
MR. DE BIE: Yes. Early consultation.

MR. BRADY: Yes. And just as a reminder for folks, comments on the NOP should be distinct from comments on the draft regulatory texts. The draft regulatory text has a deadline for written comments of March 4. And that will also have a hearing on March 12. And those comments should be focused on the policies and requirements. And the regulatory text comments on the NOP should really be focused similar to the discussion today on environmental impacts that should be considered both positive and negative.

So with that, I want to thank folks that participated and folks that attempted to participate online as well. Your feedback is very helpful as for scoping this document, making sure we’re considering all the factors that need to be considered.

And again, we will be posting the webinar a second time and we’ll be announcing that date shortly. So thank you again for everyone that came to participate.

UNKNOWN WOMAN SPEAKER: Thank you.

(Thereupon, the Hearing was adjourned at 10:24 a.m.)

--oOo--
REPORTER’S CERTIFICATE

I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were reported by me, a certified electronic court reporter and a disinterested person, and was under my supervision thereafter transcribed into typewriting.

And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

IN WITNESS WHEREOF, I have hereunto set my hand this 25th day of February, 2019.

Eduwiges Lastra
CER-915
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I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were transcribed by me, a certified transcriber.

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IN WITNESS WHEREOF, I have hereunto set my hand this 25th day of February, 2019.

Jill Jacoby
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