



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

JUL / 2 2012

GAIL FARBER, Director

June 27, 2012

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone: (626) 458-5100
<http://dpw.lacounty.gov>

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

IN REPLY PLEASE
REFER TO FILE: EPD-0

Ms. Caroll Mortensen, Director
Department of Resources Recycling and Recovery (CalRecycle)
1001 I Street
P.O. Box 4025
Sacramento, CA 95812-4025

Dear Ms. Mortensen:

COMMENTS ON THE DRAFT REPORT ENTITLED "CALIFORNIA'S NEW GOAL: 75% RECYCLING" (RELEASED MAY 9, 2012)

On behalf of Los Angeles County Department of Public Works (Public Works), I want to thank you for the opportunity to comment on the draft report entitled CalRecycle's *California's New Goal: 75% Recycling* (Report), a plan that describes recommended strategies for achieving the State's policy goal that no less than 75 percent of solid waste generated be source reduced, recycled, or composted by the year 2020. We appreciate your collaborative approach in developing the Report's recommendations to the State Legislature pursuant to Assembly Bill 341. These recommendations have the potential to significantly impact every sector of the State's economy as well as shape the future of solid waste management in Los Angeles County and throughout the State.

Los Angeles County is the most populous county in the Nation, with over 10 million residents living in 88 cities and 140 unincorporated communities. The County is larger than 42 states and 162 countries and is the 16th largest economy in the world. Each year, over 24 million tons of solid waste is generated by County residents and businesses, of which over half is diverted from disposal. The remainder is managed through the County's extensive infrastructure that includes seven major landfills, four small landfills, two waste-to-energy facilities, nearly 200 transfer/processing facilities, and hundreds of waste haulers and self-haulers. Public Works has numerous responsibilities related to solid waste management, including responsibilities for approximately 1 million residents of the unincorporated County areas as well as the over 10 million residents Countywide.

Unincorporated County Area Responsibilities

Due to the unincorporated County areas' varied geography and demographics, Public Works provides solid waste collection and recycling services to unincorporated area residents and businesses through a combination of 21 exclusive residential

franchises, seven Garbage Disposal Districts (which are unique in the State), a non-exclusive commercial franchise system with over 50 waste haulers, and an open market system. Public Works is also responsible for ensuring the unincorporated County areas achieve and maintain compliance with the State's waste reduction mandate of 50 percent (Assembly Bill 939). In 2010 the County unincorporated areas achieved a waste diversion rate of approximately 69 percent.

Countywide Responsibilities

Public Works administers a number of Countywide waste diversion programs to aid all 89 jurisdictions in Los Angeles County in maintaining compliance with Assembly Bill 939, including the largest household hazardous/electronic waste management program in the nation.

In addition, as mandated by Assembly Bill 939, Public Works is responsible for ensuring that there is sufficient long term solid waste disposal capacity for residents and businesses Countywide. Ensuring adequate infrastructure to manage post-recycled solid waste is essential to protect public health and safety and the environment. Due to lack of suitable sites for development of new landfills and the limited potential for expansion of existing facilities, Los Angeles County is aggressively pursuing development of conversion technologies and other alternatives to landfilling.

GENERAL COMMENTS ON THE DRAFT REPORT

We reviewed each of the recommendations listed in the draft Report. Our general comments are summarized below and specific comments are included in the attachment.

- **Impact on Cities' and County's AB 939 Compliance:** We are encouraged by your assurance, at CalRecycle's May 21, 2012, Workshop in Diamond Bar, that it is not the intent of AB 341 to establish new mandates on local governments and that local government compliance with AB 939 would be unaffected. However, we are concerned that if the draft Report is adopted in its present form, it would be viewed as a back door mechanism to impose a 90 percent waste diversion rate on local governments.

In particular, it is the universal belief and in accordance with Assembly Bill 939, that the statewide 75 percent 'recycling' goal is intended to build on the current (2010) statewide waste diversion rate of 65 percent. However, if the draft Report is adopted in its current form, it would fundamentally alter the current accounting system by changing what counts and doesn't count as part of calculating the 'recycling' goal, including removing existing diversion credits allowed by State law. By altering the current accounting system, it results in a **90 percent** waste diversion rate using the current system. While we fully support continuously improving waste diversion activities, establishing a high and difficult to achieve waste diversion goal will result in dramatic costs to local governments and ultimately rate payers. Although Section 41780.01(b) of the Public

Resources Codes specifies that CalRecycle "shall not establish or enforce a diversion rate on a city or county that is greater than the 50 percent diversion rate established pursuant to Section 41780," by altering the current accounting system, CalRecycle in essence artificially increases the 50 percent diversion rate on local governments. For example, under the altered accounting system, the unincorporated County area's waste diversion rate would drop from 69 percent to approximately 50 percent.

Therefore, we strongly encourage CalRecycle not to alter the current accounting system, but rather put primary emphasis on State policies and activities that **supplement and enhance existing** statewide and local recycling efforts. For example, we are pleased to see several important elements in the draft Report, such as extended producer responsibility and development of in-State manufacturing infrastructure to turn recyclable materials into marketable products.

- **Evaluating The Implementation Each Proposal:** In order to make a more informed decision regarding the full impact of each of the 50 proposals identified in the draft report, each proposal should identify the following:
 - Implementation priority and timeline
 - Implementation costs and source(s) of funding
 - Estimated diversion potential
 - Lead State agency for implementing the proposal

The above information is necessary to evaluate each proposal since it is not evident in the current draft Report if the recycling/diversion potential of each proposal will justify the cost to implement it. Also, prioritizing the proposals would assist in streamlining the proposals given the limited time remaining. Lastly, we encourage CalRecycle to identify opportunities to optimize the use of existing revenue sources, such as the Beverage Container Recycling fund, the waste tire fund and the E-waste fund, to cover the costs for implementing the proposals identified.

- **Life-Cycle Analysis:** Given that the proposals in the draft Report would impact every sector of the State's economy and the way we manage solid waste into the future, the State should conduct a thorough, scientifically peer-reviewed, life-cycle analysis of all waste management options, including recycling, composting, conversion, transformation, and landfilling so that they can be properly placed within a hierarchy of highest and best use.

Based on scientifically documented studies reviewed by local agencies, we strongly recommend a hierarchy of best management practices that puts the highest emphasis on product redesign and producer responsibility, followed in order of preference by waste prevention, reuse, recycling, composting, conversion technologies, transformation, and lastly, landfill disposal if no other management option is reasonably feasible.

- **Infrastructure Development:** CalRecycle should thoroughly evaluate and estimate the time required to finance, plan, design, permit, and construct the massive recycling, composting, anaerobic digestion, conversion, and in-State manufacturing infrastructure needed to process the “recyclable” materials collected and turn them into marketable products. We strongly believe that, even under the best of scenarios, the needed infrastructure to process the materials in-State will take a decade or longer to develop.
- **Reconciling AB 32 Requirements and AB 341 Goals:** Pursuant to the California Global Warming Solutions Act of 2006 (AB 32), and in compliance with Federal requirements, the California Air Resources Board (CARB) has established ambitious goals for energy diversification and biofuel production, which includes production of renewable energy from municipal solid waste. CARB has estimated that more than 20 new commercial-scale biofuel facilities would need to be developed in California by 2020 to meet AB 32 requirements. Also, according to CARB, “recycling of waste materials such as municipal solid waste and green wastes...to produce biofuels will not typically create a new emission source, and is environmentally preferable to traditional disposal” (*Climate Change Proposed Scoping Plan, Appendix III*).

The proposals in the draft Report essentially place landfilling ahead of energy recovery and bio-fuel production from municipal solid waste as the environmentally preferred option. This is inconsistent with the conclusions of CARB and goals of AB 32. We strongly urge CalRecycle to include in its draft Report recommendations for changes in State law that would reconcile both State objectives by changing the definition of recycling to include the production of biofuels from solid waste using conversion technologies, as well as placing conversion technologies above landfilling in the hierarchy of waste management practices.

This is also consistent with several policy drivers listed in the draft Report, such as reducing dependence on oil by increasing in-State production of bioenergy/biofuel; increasing economic opportunity, manufacturing, and jobs in California; decreasing reliance on landfilling; and preserving natural resources.

- **Impact of Mandatory Commercial Recycling:** The mandatory commercial recycling law will become effective July 1, 2012. The new law imposed on businesses, apartment/condo complexes, and local agencies is anticipated to recover a significant amount of recyclables from the waste stream, resulting in a higher statewide waste diversion rate. Due to the magnitude of this new law, CalRecycle should evaluate the results of this new requirement and take it into consideration in developing the draft Report’s proposals.

Ms. Carol Mortensen, Director
June 27, 2012
Page 5

- **Disposal Related Activities:** There is a substantial difference between *disposal* and what the draft Report refers to as "*disposal-related activities*", which according to State law are currently considered beneficial use processes, such as transformation and use of green waste as alternative daily cover. Each of the activities identified as "disposal-related" gives jurisdictions such as ours the opportunity to use recycled materials in lieu of virgin materials in our solid waste management practices. However, the draft Report doesn't validate or recognize the substantial distinctions between the two categories. We encourage CalRecycle to use a term other than "disposal-related" moving forward, and to ensure there is a distinction between beneficial uses and landfill disposal.

- **Green Waste Alternative Daily Cover:** The County strongly supports continued diversion credit for green waste when used as alternate daily cover at landfills. Green waste ADC provides jurisdictions with a local and affordable way to manage green waste, given the lack of composting facility capacity in the County. Given the restrictions in locally permitting composting operations, lack of suitable sites, and the lack of local markets, if the State-allowed diversion credit for green waste alternative daily cover is removed, green waste will need to be shipped long distances to be composted, resulting significant higher costs to rate payers, increased air pollution, and virgin soil being used as daily cover.

We look forward to working with you and your staff in refining the draft Report. Please let me know if you have any questions on our comments at (626) 458-3500 or pproano@dpw.lacounty.gov.

Very truly yours,

GAIL FARBER
Director of Public Works



PAT PROANO
Assistant Deputy Director
Environmental Programs Division

PP:td
P:\leppub\Secfinal\EP-4 Programs\2012 Letters\AB341 Cover Letter 062612.doc

Enc.

COMMENTS REGARDING CALRECYCLE'S MAY 9, 2012 DRAFT REPORT
ENTITLED "CALIFORNIA'S NEW GOAL: 75% RECYCLING"

General Comments

1. Policy Drivers

We generally concur with the policy drivers identified in the draft Report, which are in alignment with the County's programs and policies. Of the policy drivers identified, we strongly recommend that protecting public health and safety by ensuring adequate disposal capacity be given the highest priority. Also, we recommend revising the fifth bullet under policy drivers to read: "Protect public health and safety". As strategies are developed to achieve the State's 75 percent "recycling" goal, we support continued reliance on all three pillars of sustainability: promoting environmental, social, and economic prosperity. Proposals that are not economically sustainable will not be successful.

2. Los Angeles County's Conversion Technology Program

Public Works leads an internationally recognized research program for state-of-the-art conversion technologies that convert municipal solid waste into energy, fuels, and other beneficial products. As discussed below, conversion technologies are environmentally preferable to landfilling and would allow Los Angeles County the ability to manage its residual solid waste within its borders. These technologies are a critical element of Los Angeles County's plan to provide for the long term disposal needs of its residents and businesses.

3. Infrastructure Development

While we support efforts to streamline the permitting process for recycling, materials recovery, and other needed facilities, these facilities must be properly sited and developed in compliance with the strictest environmental standards in order to protect the health, safety, and quality of life of the surrounding communities.

4. Recyclables Shipped Out of California

We would like clarification on whether recyclable materials exported out the State count towards the 75 percent "recycling" goal. We believe that the policy drivers listed in the draft Report align with *in-State* processing and management of materials. Without tracking our accounting how much of our recyclables are exported, let alone the fate of those materials, it is difficult to truly calculate our achievement of the 75 percent "recycling" goal.

5. Comments on the Draft Proposal

We reserve the right to provide additional comments on any section or proposal in this Draft Report when more information is provided by CalRecycle.

Specific Comments

1. Focus Area 1: Increase Recycling Infrastructure

- a. *1A – Funding for Infrastructure* - We would like to see more information regarding the amount of funding CalRecycle has for state waste programs; the amount of funding needed; and operational changes that CalRecycle could implement to better streamline activities and increase efficiencies. In lieu of an IMWA tipping fee increase, we encourage the State to investigate options for utilizing money from other CalRecycle administrated funds, such as the Beverage Container Recycling Fund.
- b. *1B1 and 1B2 – Regulatory Oversight* - Page 13 refers to the development of new recycling manufacturing/processing infrastructure; however on page 14 there is a discussion about CalRecycle's current inspection responsibilities of solid waste facilities and how the number of facilities will increase as the recycling/composting infrastructure increases. Is CalRecycle planning to monitor and inspect recycling facilities? If so, what is the cost estimate of this undertaking? We support the concept of extending the monitoring and inspection requirements to recycling facilities and request that regulatory costs be borne by the facilities themselves.
- c. *1B3 – Regulatory Oversight* – We support this proposal to develop minimum standards for the training and certification of facility operators; however, we encourage CalRecycle to enlist the support of the private sector, including non-profit organizations, in implementing these training/certification programs, similar to current SWANA certifications.
- d. *1C – Strategic Facilitation and Incentivizing of Facility Siting* – We request the proposal elaborate on what is meant by “Better ensure that landfill siting and capacity is proportioned appropriately within the State,” and “Seek authority to require a demonstrated need for additional disposal capacity as part of the solid waste permitting process.”
- e. *1D – Modify RMDZ Program to be Statewide* – Although we support a statewide approach for market development, we encourage CalRecycle to implement a hybrid approach of a Statewide program and retaining the current RMDZ program. Local zone administrators have established connections with cities and the business community, which will prove advantageous to a statewide program. *1E – Increase Recycling,*

Manufacturing Business Assistance - We support this proposal since it strengthens the statewide market for recovered recyclables by leveraging existing and well-established resources, which is critical to achieving the State's 75 percent recycling goal. We share in CalRecycle's desire to meet the policy drivers of increased economic opportunity, manufacturing, and jobs, reduced greenhouse gas emissions, and preservation of natural resources within the State, and therefore we encourage support and funding to be made available strictly for facilities located within the State.

- f. *1F – Increase Collection Efficiency/Quality* - It is unclear what this proposal seeks to do and how to accomplish it. We request this proposal be revisited and clarified.
- g. *1G – Streamline Planning Documents* - We support streamlining the development of specific planning documents through statutory changes, provided local control is retained.
- h. *1H – Communications Outreach on Infrastructure* – We have no comment at this time.

2. Focus Area 2: Organics

- a. *2A – Green Waste ADC* -- We strongly support the continued diversion credit for green waste when used as alternate daily cover at landfills since it provides jurisdictions with a local and affordable way to manage green waste. Given the restrictions in permitting composting operations locally (including dealing with the associated environmental and health hazards of said air emissions) and the lack of local markets, no commercial composting facilities have been developed in Los Angeles County. Until these facilities can be permitted and built, it is of critical importance to public health and safety to have a method of safely managing green waste.

If the diversion credit for green waste alternative daily cover (ADC) is removed, green waste will be shipped long distances to be composted, resulting in significant higher costs to rate payers, increased air pollution, and virgin soil being used as daily cover. Maintaining a well-balanced and diversified green waste management strategy that includes composting and conversion technologies such as anaerobic digestion as well as green waste ADC, is a matter of public health and safety

- b. *2B – Organics Disposal Phase-Out* – It is unclear what this proposal seeks to do and how to accomplish it, especially since it does not identify what segments of the “organic” waste stream it seeks to target. We request this proposal be revisited and clarified. Moreover, if the disposal of organic materials are targeted for future phase-out, we encourage CalRecycle to carefully examine the impacts to public health and safety and develop realistic

measures for phasing out materials at a gradual rate, taking into account local jurisdiction's uniqueness and difficulties in siting and developing alternative infrastructure (such as composting and conversion technologies) particularly in highly urbanized and populated areas, such as Los Angeles County.

- c. 2C through 2G – We have no comment at this time.

3. Focus Area 3: Increase Commercial Recycling

- a. 3A – *Reduce Thresholds for Commercial Recycling* – Although lowering the business threshold to 2 cubic yards and making it be applicable to all multi-family complexes will intuitively result in more waste being diverted from disposal, we recommend this proposal be deferred until diversion and economic data from the current mandatory commercial requirement is analyzed by CalRecycle in late 2012/early 2013. This empirical data is critical in determining the full-range impact of a lower threshold, including estimating the amount of tonnage diverted; potential adverse cost impacts to businesses, multi-family complexes and local governments; and generate a more accurate quantification of GHG emission reductions.

In regards to the alternative proposal of requiring current regulated businesses and multi-family complexes to achieve a 50 percent 'recycling rate', we are concerned that it would result in significant costs to local governments since more personnel would be required to monitor this requirement, including tracking detail data from businesses, waste haulers, and independent recyclers. Moreover, will the recycling rate be measured on an annual basis or more frequent? Will the regulated community be measured independently or collectively? How will the 'recycling rate' be calculated (e.g., amount of material placed at curbside)? If the recycling rate is measured at curbside, why aren't source reduction activities taken into consideration? Lastly, who will enforce the new requirement (local government or CalRecycle)?

- b. 3B – *Increase Requirements for MRF Performance* - We agree with the suggestion to implement best management practices at material recovery facilities (MRFs) to ensure the maximum amount of marketable and recyclable materials are extracted from the waste stream prior to disposal or further processing. Developing performance standards based on recovery rates or amount of recyclables in the residual waste stream, is difficult since the market for recyclables fluctuate daily, waste stream characteristics vary throughout the state, and MRF technologies vary from facility to facility. We look forward to participating in these discussions as they move forward.
- c. 3C – *Establish Business Enforcement Component* – We support CalRecycle to establish a program to take enforcement action against

non-compliance in lieu of requiring local governments take enforcement action.

As part of developing the Mandatory Commercial Recycling regulations, local governments, including ourselves, voiced concern that we should not be burdened with enforcing the new State law since it is financially and resource intensive (especially since there are over 22,000 affected customers in the unincorporated County area alone). To ensure the affected customers are recycling and consistent with the regulations, we are giving affected customers the tools to recycle, such as giving them recycling bins/carts, promoting recycling through regular site visits, disseminating public education materials, and incentivizing additional recycling through a tiered rate structure. Coupled with Proposal 3A, requiring local governments to enforce the state's mandatory commercial recycling law would be cost prohibitive. We recommend CalRecycle to defer this proposal until diversion and economic data from the current mandatory commercial requirement is analyzed by CalRecycle in late 2012/early 2013.

- d. *3D – Grants for Multi-Family Recycling Program* - Although we support this proposal, we recommend that CalRecycle identify the dollar value of this program and structure it as a block grant program, similar to the Beverage Container City/County Payment program. The City/County Payment program is popular with local governments since it reduces the amount of time applying for the grant, in comparison to applying for a discretionary grant, and it equitably distributes the money statewide.
- e. *3E – Awards for Businesses* - We support this proposal since the implementation costs are low while spurring additional recycling through a recognition program.

4. Focus Area 4: Establish Extended Producer Responsibility

- a. *4A - Authority to Decide Products and Targets* - We support this proposal since manufacturers take responsibility for the products they generate, thereby reducing the environmental impact of their product through redesign and increased recycling. However, prior to introducing state legislation, we recommend CalRecycle work with the California Product Stewardship Council to solicit their feedback, including establishing extended producer responsibility goals and targets, and how to reduce governmental oversight costs while achieving the same results.
- b. *4B – Packaging* – In addition to packaging, we would like to see the State take steps to eliminate certain materials, such as plastic bags and

expanded polystyrene, that make up a smaller quantity of the wastestream by weight, but have a disproportionate impact on litter and marine debris.

5. Focus Area 5: Reform Beverage Container Program

- a. *5A1 – Redefine Commingled Rate* – We have no comment at this time.
- b. *5A2 – Expansion of Minimum Content Requirements* – We support exploring options to develop reasonable penalties.
- c. *5A3 – Program Expansion of All Ready to Drink Beverages* – We support expanding California’s Beverage Container Recycling Program to include *all* beverage containers, including wine and distilled spirits (with the exception of milk, medical food, and baby formula) since it levels the playing field and increases the recovery of those beverage containers (e.g., the current recovery rate for those beverage containers under the program is over 80 percent).
- d. *5B1 – Elimination of 14581 Fixed Dollar Expenditures* – Although we support CalRecycle’s effort to streamline and prioritize management of the various Beverage Container Recycling Program funds, we are concerned that under the proposal the \$10.5 million City/County Payment Program will become less of a priority to fund (or eliminated altogether). The City/County Payment program is popular with local governments since it reduces the amount of time applying for the grant, in comparison to applying for a discretionary grant, and it equitably distributes the money Statewide.
- e. *5B2 – Fiscal Reform to Provide More Funding* – No comment at this time.

6. Focus Area 6: Increase Procurement/Demand

- a. *6A – Increase PCRC and EPP Purchases by the State* – Governor Brown’s Executive Order B-18-12 on April 25, 2012, ordered “State agencies purchase and use environmentally preferable products that have a lesser or reduced effect on human health and the environment when compared with competing goods that serve the same purpose whenever they are applicable, perform well, and are cost effective per Public Contract Code section 12400”. In light of this Executive Order, how is this proposal impacted? We are pleased to see the Executive Order since State agencies should lead other jurisdictions by example.
- b. *6B - Reform SABRC Requirements and Add Enforcement* – We support this proposal. Alternatively, CalRecycle may consider pursuing the issuance of an Executive Order to accomplish the same goals instead of seeking legislative changes.

- c. *6C – Interagency Agreements with Caltrans and Other Procuring Agencies for Testing TDPs* – We support this proposal.
- d. *6D – Minimum Content Requirements* – It is unclear what this proposal seeks to do and how to accomplish it. We request this proposal be revisited and clarified.
- e. *6E – Sales Tax Breaks on Private Sector Purchase of RCPs/EPPs* – We suggest a sunset clause on any tax reductions or exemptions on the purchase of recycled-content products. This promotes the continued research and development of newer and more environmentally preferred products.
- f. *6F – Financial Incentives for Manufacturing Use of Recycled Materials* – We support this proposal since it creates markets for recovered materials, thereby diminishing the exportation of recyclables to other countries.

7. Focus Area 7: Other Materials

- a. *7A – Tires, Incentive Payments, or More Market Demand* – We support all three options of the proposal. As a backstop to prevent litter or landfill disposal, we support the management of waste tires through conversion technologies, and if local conversion technologies are unavailable or cannot accept tires, as tire-derived fuel.
- b. *7B – Plastics* – We would like to see more solutions for plastics reduction, recycling, and management. On July 1, 2011 the County's ban on plastic carryout bags became effective in the unincorporated communities of Los Angeles County. Since 2009, the County's plastic bag reduction program and ban have resulted in a 95% reduction in single-use plastic and paper bag consumption in the unincorporated communities, and over 30 percent reduction in paper bag consumption. We support Statewide bans on plastic bags and expanded polystyrene, and EPR solutions for plastic containers. EPR is a preferred method of management over advanced disposal fees.
- c. *7C – E-waste* – We support option 3 to implement an EPR model either for all e-waste or as a hybrid with the current payment system. In the interim, we also support the expansion of products identified as e-waste that are eligible for reimbursement.
- d. *7D – Construction & Demolition Funds for Retrofitting Equipment to Meet AQ Standards* – We support option 2, a loan or rebate program. Loan/rebate programs should be established by the local AQMDs, similar to the rebates offered by these districts to purchase electric lawn mowers.

- e. *7E – Construction & Demolition Expand CALGreen for Deconstruction and Add Enforcement* – We support this proposal.
- f. *7F – Fiber* – Although details of the proposal have yet to be specified, we recommend CalRecycle to defer this proposal until diversion data from the current mandatory commercial recycling requirement is analyzed by CalRecycle in late 2012/early 2013 since it may determine what additional (if any) recycling programs or disposal bans are needed. Contamination of cardboard continues to be problematic for recycling, making it necessary to find additional markets or management options for non-recyclable cardboard. Conversion technologies are ideal processes for managing contaminated cardboard and other non-recyclable materials.
- g. *7G – Fiber/Resin* – Opportunities that help level the playing field, such as a RMDZ, should be made more readily available to all businesses that manufacture a product using recycled material or process materials for recycling.
- h. *7H – Used Oil Lifecycle Assessment Follow Ups* – We support this proposal.

8. Focus Area 8: Governance/Funding

- a. *8A – New Models for Funding Waste/Materials Management* – We would like to see more information regarding the amount of funding CalRecycle has for state waste programs; the amount of funding needed; and operational changes that CalRecycle could implement to better streamline activities and increase efficiencies.
- b. *8C – Authority for Waste and Bottle Bill Functions Such as Enforcement, Data Gathering, Monitoring, Etc.* – It is unclear what this proposal seeks to do and how to accomplish it. We request this proposal be revisited and clarified.

9. Focus Area 9: Source Reduction

- a. *9A – Organics Food Programs, Backyard Composting, Vermicomposting* – Although we support this proposal, we recommend that CalRecycle identify the dollar value of this program and structure it as a block grant program, similar to the Beverage Container City/County Payment program. The City/County Payment program is popular with local governments since it reduces the amount of time applying for the grant, in comparison to applying for a discretionary grant, and it equitably distributes the money Statewide.

- b. *9B – Greener Products Through Product Certification/Eco Labels* - We are in support of this proposal and encourage CalRecycle to work with the California Product Stewardship Council (CPSC) in developing an eco label in parallel to CPSC's EPR efforts.
- c. *9C – Zero Waste* – We support the description of zero waste in the CIWMB 2001 Strategic Plan (Goal 7), which describes the “zero waste philosophy” as being one “that focuses on the most efficient use of natural resources in order to maximize the reduction of waste and protect the environment. Zero waste involves utilizing the most effective industry processing or manufacturing practices to efficiency while educating consumers. It includes promoting technology to encourage source reduction on the front end and recycling and other technologies on the back end, and harnessing the energy potential in waste by using new and clean technology to convert the material directly into green fuel or gas to produce electricity”. We are not aware of any recent amendments or updates to this definition.

10. Focus Area 10: The Other 25%

- a. *10A - Define Post-Recycled Residuals* - On June 14, 2012, Public Works hosted a call between MRF owners and operators and conversion technology vendors to discuss this issue. The facility operators cited several reasons why establishing a definition for post-recycled residuals will be challenging. First, MRF location highly impacts the composition of materials passing through the facility. Second, operation hours affect MRF throughput and recovery rate. Third, markets for recyclables may be different based on geographic location. This is a complex issue, and we advise CalRecycle to continue to consult with local jurisdictions, MRF operators and conversion technology vendors before implementing a rule requiring post-recycled residuals used for energy recovery to have “less than a total specified amount of designated recyclable/compostable material”.
- b. *10B – Define Beneficial Use Policy for Other 25%* - We are concerned with this proposal as written since it appears to make it more difficult to divert materials from landfill disposal. Placing additional requirements (and costs) on the beneficial use of these materials would make *landfills* the preferred alternative for managing “the other 25%” of the waste stream since no additional performance standards or costs are imposed on feedstock sent to landfills. Instead of creating incentives for reducing landfilling and generating renewable energy and low carbon fuels, this proposal would make economic competition even more difficult for new and emerging technologies. Proposal 10B is therefore in direct opposition to the policy drivers identified on page 12 of the Draft Proposal, specifically “decrease reliance on landfills”, “reduce dependence on oil by

increasing in-state production of bioenergy/biofuel”, and “reduce costs to local government”.

Los Angeles County supports the beneficial use of the final portion of the wastestream that cannot be reduced, recycled or composted. Therefore, the State should work with local jurisdictions to provide a permitting pathway for conversion technology facilities and other processes that can beneficially use this material and divert it from landfill disposal, rather than creating more barriers or limiting the materials that can be processed at these environmentally beneficial processes.