



November 14, 2012

Mary Nichols, Chairman
California Air Resources Board
1001 I Street
Sacramento, CA 95812

Re: Cap-and-Trade Regulation – Compliance Offset Protocols

Dear Ms. Nichols,

The California Refuse Removal Council (CRRC) is a statewide non-profit trade association comprised of over 120 companies involved in the collection and processing of organic materials that also operate approximately 20 compositing facilities, 50 material recovery facilities (MRFs), 25 construction and demolition debris processing facilities, and over 12 landfills statewide. Our industry, in partnership with local government, has been instrumental in our state's efforts to attain the recycling mandate of 50% waste diversion from landfills, required by the California Integrated Waste Management Act of 1989 (AB 939), and will remain critical to the attainment of future sustainable goals. CRRC fully supports the AB 939 statutory hierarchy of reducing, recycling, composting, transformation, and safe landfilling, in that order. CRRC has been supportive and engaged throughout the AB 32 Scoping Plan development and implementation process.

The purpose of this letter to provide comments on the California Air Resources Board (ARB) plans for adopting Compliance Offset Protocols. The ARB has proposed adoption of four Climate Action Reserve (CAR) protocols for compliance purposes in ARB's cap-and-trade program. The CRRC supports the inclusion of CAR voluntary offset credits for compliance purposes as we are aware of the rigorous and conservative approach taken by CAR to develop protocols.

Currently, ARB has only four of CAR's adopted protocols for possible inclusion in the cap-and-trade program. Two of the protocols that are not currently being considered are the CAR Organic Waste Digestion Protocol and the Organic Waste Composting Protocol. The inclusion of these protocols would provide an incentive to expand food waste diversion from landfills for treatment at anaerobic digestion (AD) and composting facilities. These efforts will help to meet the emission reduction goals of the Scoping Plan, which call for a 2 MMTCO₂e reduction from anaerobic digestion of waste and another 2 MMTCO₂e reduction from "Increase Production and Markets for Organics

Products”. Meeting these two explicit goals requires increasing the capacity of these two organic treatment processes.

CAR has already approved 18 Organic Waste Composting Projects and one Organic Waste Digestion Projects. It should be noted that although the reductions in greenhouse gases from these two CAR Protocols derive from avoided landfill emissions, there are significant ancillary benefits as well, such as:

- In the case of Organic Waste Digestion, the biomethane created is used either to generate renewable electricity or to produce a very low carbon intensity transportation fuel (CNG or LNG).
- The provision of compost to the agricultural industry, from composting facilities or digestate from anaerobic digestion, can play an important role in climate change adaptation. The increased use of compost can provide an important component of soil moisture management, reducing irrigation requirements. Since agriculture uses about 80% of California’s water supply, a small decrease in demand can create a significant source for other sectors and help farmers adjust to decreasing water availability.

The CRRC requests that the CAR Organic Waste Digestion and Organic Waste Composting protocols be evaluated by ARB for inclusion in the AB 32 cap-and-trade compliance system.

Should you have any questions, please contact me at (916) 739-1200.

Sincerely,

A handwritten signature in black ink, appearing to read "Evan W.R. Edgar". The signature is stylized and cursive.

Evan W.R. Edgar, Principal
Edgar & Associates, Inc.

cc: Steve Cliff, Chief, Climate Change Program, Evaluation Branch
Rajinder Sahota, Manager, Climate Change Program Operation Section