March 5, 2018

The Honorable Richard Bloom, Chair
Assembly Budget Subcommittee Number 2 on Resources and Transportation
Sacramento, CA 95814

RE: Support for Additional Cap & Trade Expenditures for Waste Diversion Projects

Dear Assembly Member Bloom:

The California Association of Sanitation Agencies (CASA) respectfully requests the Legislature consider allocating additional Cap & Trade revenues for projects that maximize the wastewater sector’s uniquely positioned ability to achieve tangible, cost-effective Greenhouse Gas (GHG) and Short-Lived Climate Pollutant (SLCP) emissions reductions. CASA is an association of California wastewater agencies engaged in advancing the recycling of wastewater into usable water, maximizing beneficial use of biosolids, generating renewable energy, and producing other valuable resources.

Wastewater agencies have the unique ability to provide tangible GHG reductions that will help the State meet GHG and SLCP reduction goals, largely by utilizing existing publicly owned wastewater infrastructure. Our public agency members are increasingly accepting hauled in organic waste for co-digestion, which results in organics being diverted from landfills, and also generates additional biogas that can be beneficially reused in a variety of ways. Many of these projects help achieve other state priorities as well, such as addressing the water-energy nexus by offsetting the large amount of power that is necessary for operating wastewater treatment plants. Additionally, biosolids recycling through land application and composting can help the state achieve its water conservation and agricultural efficiency goals by improving soil health, increasing soil organic levels, increasing crop production and reducing the need to irrigate due to their high water holding capacity, thus allowing for more efficient irrigation practices.

Given the significant GHG and SLCP emissions reductions that can be achieved by projects within the wastewater sector, CASA respectfully offers the following suggestions for your consideration in FY 2018-19 Cap and Trade allocations.

- Allocate at least $100 million to the CalRecycle Organics Grant Program for waste diversion projects. We strongly encourage the maximum investment possible in waste diversion projects if additional revenue becomes available this year or in future investment years;
- Express a preference for organics diversion projects that can demonstrate the most significant GHG and SLCP reductions, including those utilizing existing wastewater infrastructure, and for projects that address the water-energy nexus, improve soil health, and provide water efficiency benefits.

Thank you for your consideration of our comments. We welcome the opportunity to discuss these issues further with the Budget Subcommittee.

Sincerely,

Jessica Gauger
Manager of Legislative Affairs