The California Public Utilities Commission (CPUC) on February 24, unanimously voted to adopt a biomethane procurement requirement of 72.8 billion cubic feet of biomethane annually by 2030 for the Investor-Owned Utilities (IOU’s), with important interim goals to help meet the waste diversion requirements of SB 1383. This includes prioritization for anaerobic digestion at wastewater treatment plants that are accepting diverted organic waste for co-digestion, and could be a major incentive for CASA agencies to pursue these projects going forward.

The biomethane procurement requirement prioritizes biogas from systems which help achieve the mandates of SB 1383. The CPUC notes CalRecycle estimates that 18 million tons of organic waste, including wood waste, must be diverted by 2025 with a need for capacity to manage 8 million tons of the newly diverted organic waste, which is estimated to produce 17.6 billion cubic feet of biomethane and will serve as the short-term procurement goal by 2025. A Procurement Advisory Group (PAG) will be established by each of the IOU’s to confirm cost effectiveness and environmental justice equity. The 2025 procurement targets are proportionately assigned equal to its Cap and Trade allowance share: SoCalGas – 49.26%, PG&E – 42.34%, SDG&E – 6.77%, and SWG – 1.63%. The 2030 Renewable Gas Standard is 12.2% of each IOU’s 2020 gas demand. The decision also requires CPUC staff and the IOU’s to hold workshops on cost-effectiveness and other issues within the next month or two. The final decision is available [here](https://example.com). Please contact Greg Kester with any questions.