



SOUTHERN CALIFORNIA ALLIANCE OF PUBLICLY OWNED TREATMENT WORKS

# Monthly Update

[www.scap1.org](http://www.scap1.org)

May 2010

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## Upcoming Meetings

### Air Quality

Wednesday, May 26, 2010  
10:00-12:00 noon @ LACSD.

### Biosolids

Tuesday, July 20, 2010  
Location TBA

### Collection Systems

Thursday, May 20, 2010  
9:00-1:00pm @ LACSD

### Energy Management

Tuesday, July 13, 2010  
9:00-1:00pm @ LACSD

### Water Issues

Thursday, May 27, 2010  
9:00 - 12 noon  
Location @ IEUA

## SCAP

**John Pastore, Exec. Director**  
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## A Message from the Executive Director...

Yet another Earth Day - Earth Week - Earth Month has come and gone. By all accounts, it's been a rough year so far for Mother Earth. First it was the devastating earthquake in Haiti followed by the earthquake in Chile, then Mexico/California and finally China. If that wasn't bad enough, April brought the Icelandic volcano spewing ash and frozen glass particles into the atmosphere over a 1,200 mile area disrupting commercial airline flights and covering many European countries with a layer of caustic ash. If I didn't know better I would say old Mother Earth is getting tired of the way we've treated her and is letting us all know we better shape up or suffer the consequences. So after all of the thousands of presentations and exhibitions all over the world on "green" power and renewable energy, how do we go about proving we've really changed the way we live and how we treat our natural resources? Certainly not by causing one of the most epic manmade disasters in modern history—I'm talking about the ruptured underwater Deep Horizon oil well in the Gulf of Mexico. Although it seems like only yesterday, not 21 years ago, when disaster struck in the form of the Exxon Valdez catastrophe in the Prince Williams Sound. That incident, which many of us remember very clearly ended up spilling a paltry 11,000,000 gallons of Alaska North Slope crude oil compared to this present spill and still took 3 years to clean up. With estimates ranging up to 6 million gallons per day escaping from the Deep Horizon well and with no end in site, it's clear that we are entering uncharted waters when it comes to an ecological disaster of this magnitude.



The financial losses from industries depending on clean water in the Gulf will be astronomical and that doesn't even account for the devastating loss of fish and wildlife that is priceless and can never be recovered from. I can't even imagine what the residents of the Gulf states are going to endure in the coming months and years.



I was trying to think of what it would be like if something similar happened along our California coast with all of the recreational opportunities we take for granted like fishing and surfing being put on hold for years. Unfortunately, the more I envisioned it, the angrier I became. Let's hope that in the least this disaster will trigger new safeguards to prevent this type of incident from ever happening again. Much in the way after the Exxon Valdez incident, new rules were enacted such as the Federal Oil Pollution Act of 1990, which requires faster and more aggressive cleanup of oil spills. While our State Water Resources Control Board wrestles with modifications to the statewide WDR for SSOs, I can't help but put our occasional sewer spills in perspective to oil spills. Fortunately, a sewer spill will not result in the price of a gallon of gasoline going up at the pump. As one noted wise man once said, "At what point do we draw the line between resource extraction at any cost and environmental protection? Can we have both? We can only hope that the Exxon Valdez disaster has taught the people who make those decisions some lessons they will never forget".

A great sentiment for sure, then I read where "the *Exxon Valdez*, renamed the *SeaRiver Mediterranean*, is still carrying oil around the world. Although she has been barred from ever entering Alaskan waters again, Exxon applied to have that court ruling reversed". Thankfully, the appeal was rejected.

Cynically Yours,

John Pastore, Executive Director

## Committee Reports



### Air Quality

Chair Kris Flaig  
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**Air Quality Committee Update** by Kris Flaig, City of Los Angeles-Bureau of Sanitation

April was another busy month for the CWCCG. Our consultant, Jackie Kepke of CH2M-Hill, collected comments and submitted letters to the SJVAPCD relative to the GHG CEQA Best Performance Standards (BPSs), and to the ARB on a draft renewable energy standard (RES) regulation and revisions to the State's mandatory GHG reporting regulation. Ms. Kepke also circulated a clarification on

use of the HHV for GHG emission reporting, Association of California Water Agencies' (ACWA's) Climate Change Policy Principles, and some legislative notes. And, I had the opportunity to present a few past, current, and future challenges at the California Water Environment Association (CWEA) Annual Conference with my counterparts from the Bay Area Clean Water Agencies (BACWA) and Central Valley Clean Water Agencies (CVCWA).

CWCCG's comments on SJVAPCD's proposed BPSs represented a continuing dialogue, in which Patrick Griffith of LACSD is a key part, contributing a large amount of the drafted letter. The CWCCG is asking for a defined "economic feasibility" to be performed before implementing the BPS for high-pressure boilers, clarification that the rule would not apply to use of biogases in these boilers, recognition that biogas is being used in such applications, and a repudiation of the proposed 29% business as usual (BAU) GHG reduction requirement.

In the CWCCG letter to the ARB Energy Section on the RES draft regulation, we supported "the proposal that a generating facility that meets the criteria of the California RPS be considered eligible under RES," and that this provide a "unique opportunity" to use all of society's waste products. In this letter, Ms. Kepke also explained the importance of clarifying the old CPUC terminology regarding RECs, so that California can fully benefit from the utilization of biomass and biogas fuels. The CWCCG also endorsed the "use of "tradable" RECs . . . in a viable compliance-based REC market," and that these are necessary to tip the balance towards implementing GHG adaptation infrastructure. Ms. Kepke and I met with (Vlad Kogan, OCSD, called in) sympathetic ARB staff, who indicated that they understood our needs and would try to make the appropriate changes.

Ms. Kepke penned the CWCCG letter to ARB's Climate Change Reporting Section on *Revisions to Mandatory Greenhouse Gas Reporting Regulation*, in which several good points were transmitted. The CWCCG strongly supports no requirement for 3<sup>rd</sup>-party verification under a Cap and Trade (C&T) program where GHG emissions are less than the 25,000 ton/year threshold, and that requirements for reporting be eliminated for cogeneration facilities that emit less than 10,000 tons/year. We reiterated that Standard Method 2720C (gas chromatography) be included as an acceptable method for HHV measurement, as this US EPA-approved method is used by many POTWs. Lastly, the CWCCG supported information gathering for GHG emissions, but insist that a 10,000 ton/year level is arbitrary and does not align California with the adopted US EPA reporting regulation; we recommended accepting municipal public services, such as wastewater treatment, as these facilities cannot move or otherwise cause leakage.

My experience at the CWEA Annual Conference was mixed. Although people attending this Friday afternoon session appreciated our presentations, many attendees had already flown the coup. My presentation included highlights from the past year, current challenges, and a forecast of upcoming regulatory proposals, including our work on New Source Review. I updated attendees on a list of legislative bills, and mentioned current and future challenges on renewable energy credits, Rule 1110.2 (strict limits on diesel engines), and US EPA's desire to revise many federal air quality regulations during the next few years.

The weather vane points alternately north and south, and usually westward, but sometimes due east, due to US EPA's foray into rewriting federal air regulations.

## Imperial County APCD

[www.co.imperial.ca.us](http://www.co.imperial.ca.us)

The Imperial County APCD has a new website in operation.

Imperial County APCD has announced that a copy of both the Final 2009 Imperial County State Implementation Plan for PM<sub>10</sub> (2009 PM<sub>10</sub> SIP) and the Final Negative Declaration for the 2009 PM<sub>10</sub> SIP are now available on the District's website.

On September 23, 2009 the US EPA filed [Federal Register Vol. 74, No. 183](#) proposing a "Determination of Attainment of the 1997 8-Hour Ozone Standard for Imperial County, CA" On December 3, 2009 the US EPA filed a FINAL rule [Federal Register Vol. 74, No 231](#) issuing a determination that the "Imperial County, California moderate 8-hour ozone nonattainment area has attained the 1997 8-hour National Ambient Air Quality Standard (NAAQS) for Ozone."

There are currently no new public workshops or meetings posted on the ICAPCD website for the month of May 2010.

## Mojave Desert AQMD

[www.mdaqmd.ca.gov](http://www.mdaqmd.ca.gov)

For those interested in solar power, the MDAQMD website includes a real time display of daily and yearly solar power information from within the district, as well as the amount of carbon dioxide saved.

MDAQMD has also introduced ENVIROFLASH on its website, which provides air quality forecasts directly to your computer's inbox.

Presentations from the 2009 California Desert Air Working Group (CDAWG) are now posted on the MDAQMD website.

The MDAQMD has announced that May 3-7 is Air Quality Awareness Week. Contact their website for further information.

The next meeting of the MDAQMD Board is scheduled for May 24, 2010. There are no new workshops or public hearings shown on the MDAQMD website for the month of May 2010.

**San Diego APCD**

[www.sdapcd.org](http://www.sdapcd.org)

San Diego APCD reports it has completed and submitted its Ambient Air Monitoring Network Plan (AMNP) for 2007 and a copy can be obtained from their website. SDAPCD will be required to submit an Air Quality Plan to EPA in 2013 outlining the emission control regulations necessary to bring the entire region into attainment.

SDAPCD has added a custom Google search engine exclusively for their website and also offers an interactive air pollution simulator program called **Smog City 2**. This program will allow the user to make decisions that affect the air quality and can then view the resulting changes that occur.

The CAPCOA Climate Change Forum in partnership with SDAPCD is scheduled for August 30-31, 2010 in San Francisco. The 2-day conference will focus on the integration and harmonization of California's climate policy with federal programs to allow development of effective and productive strategies in the fight against climate change.

The SDAPCD is currently in the process of applying with CARB to become a Greenhouse Verification Body. If approved the verification services will be offered by contract.

Special Districts Meetings are tentatively scheduled for May 11<sup>th</sup> and 12<sup>th</sup>, which may also include an Advisory Committee meeting on the 12th. There are no new public hearings scheduled on the District's website at this time.

**Santa Barbara APCD**

[www.sbapcd.org](http://www.sbapcd.org)

The Santa Barbara APCD reports that they have a new fee schedule in effect as of 7/01/08, which can be viewed on their website. SBAPCD also reports that they are working with CAPCOA planning managers to develop GHG emission thresholds for CEQA reviews of new projects.

The next APCD Board meeting is scheduled for May 20, 2010. There are no new workshop or Board hearings scheduled for the month of May.

**Ventura County APCD**

[www.vcapcd.org](http://www.vcapcd.org)

VCAPCD currently has application forms available for the Carl Moyer Program. The program will provide

approximately \$2 million of grant funds for projects within Ventura County. The grant funds are available to qualifying owners of heavy-duty diesel powered equipment that want to reduce air pollution by upgrading or replacing their present equipment.

The VCAPCD reports that the Draft 2009 Reasonably Available Control Measures State Implementation Plan (2009 RACT SIP) is now available for public review. The VCAPCD reminds everyone that Tier 0 Portable Diesel Engines may not be operated in California after December 31, 2009.

The next VCAPCD Board meeting is scheduled for May 11, 2010. At this time there no new Advisory Committee meetings or public workshops scheduled for the month of May.

**South Coast AQMD**

[www.aqmd.gov](http://www.aqmd.gov)

**Priority Reserve Lawsuits** by Greg Adams, LACSD

The only new thing to report is that the litigants have added the State of California to the most recent lawsuit. The state has asked the court to dismiss the action as it applied to them; the litigants have filed a motion in opposition to the demurrer. The SCAQMD has remained neutral.

A hearing on the CVC power plant in Desert Hot Springs was scheduled after the conclusion of the SCAQMD Board retreat in Palm Dessert on April 30, 2010 but we recently learned that the hearing has been cancelled and will be re-noticed. The CVC power plant was specifically addressed (in terms of receiving emission reduction credits from the SCAQMD's offset banks) in the AB 1318 (V.M. Perez) that was the companion bill to SB 827.

**SCAQMD Proposed Rule 317 Clean Air Act Non-attainment Fees** by Greg Adams, LACSD

It appears that the rule will be adopted at the SCAQMD Board meeting on May 7, 2010. The language remains very tenuous in that nothing is fixed for certain and everything is subject to approval of both CARB and EPA. Much of the flexibility provided in the January 5, 2010 OAQPS (EPA's Office of Air Quality Planning and Standards) guidance has not been included. We recently heard that the promised AB 118 funds that might reduce the liability of the sources subject to PR 317 by as much as 50%, is very much in question. It is extremely difficult to estimate the year-to-year

exposure of our agencies due to the PR 317 moving target provisions.

The petition to review the OAQPS guidance is still in EPA's court. EPA filed a lengthy brief in the District of Columbia Court of Appeals to dismiss the petition for lack of jurisdiction since the action is not a final, reviewable agency action (~ a formal, final rule must have been developed using the guidance) and that NRDC lacks standing (~NRDC has not suffered any injury). Numerous interveners have entered the case on the side of EPA.

### **EPCRA Hydrogen Sulfide Administrative Stay to be Lifted** by Greg Adams, LACSD

The comment period on the lifting of the stay on hydrogen sulfide has been extended two weeks to May 12.



## Biosolids

Chair Mike Sullivan  
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### **WEF Land Application and Composting Fact Sheet** by Matt Bao, LACSD

As part of WEF's new Biosolids Communications Resources web page, WEF has developed and released a nationally recognized fact sheet on land application and composting of biosolids. The WEF Land Application & Composting Fact Sheet is available under the Educational Resources section on the Communications Resources page of WEF's Access Water Knowledge Biosolids Channel, which can be visited at [http://www.wef.org/AWK/pages\\_cs.aspx?id=6719&ekmense=c57dfa7b\\_67\\_0\\_6719\\_2](http://www.wef.org/AWK/pages_cs.aspx?id=6719&ekmense=c57dfa7b_67_0_6719_2).

The fact sheet and other communications resources are designed to help WEF members and utilities more effectively communicate with and educate the public, media outlets, and local officials about biosolids recycling. The Communications Resources page will be updated on a regular basis to ensure that it remains a valuable tool for local outreach/educational efforts. If you have any other resources that you would like to

see listed in this section, please feel free to submit them to Sam Hadeed at [SHadeed@wef.org](mailto:SHadeed@wef.org) for review by our Biosolids Communications Team.

### **EPA Cancer Slope Factor for Inorganic Arsenic** by Matt Bao, LACSD

On April 21, 2010, CASA submitted a comment letter to EPA on the proposed new cancer slope factor (CSF) for inorganic arsenic. The proposed CSF represents a 17 fold increase from the current CSF, and will be used in the Integrated Risk Information System (IRIS) for risk assessment that is likely to have significant impacts for recycled water, effluent, and potentially biosolids standards. The CASA letter cites concerns on whether the EPA correctly and accurately interprets the science and will ensure that the proper science will be utilized in establishing the CSF. To view the letter, please visit the CASA Biosolids program page at <http://casaweb.org/?q=node/15>.

### **SCAP Biosolids Committee Meeting** by John Pastore, SCAP

On April 21<sup>st</sup> the Biosolids Committee conducted a tour of the Ventura Regional Sanitation District's Biosolids Dryer and Renewable Power Generation Facility, located at the Toland Road Landfill in Santa Paula, California, as part of its regular quarterly meeting. Nearly 30 people were in attendance and were treated to an inside look at the facility, which produces approximately 8,000 tons per month of the nutrient-rich biosolids product. The VRSD facility converts biosolids from local wastewater treatment plants into EPA Class A recyclable material, which is currently used as alternative daily cover at the Toland Road landfill. Decaying trash in the landfill produces a gas that is high in methane, which is then extracted from the landfill, treated for liquids and sulfur removal as well as siloxane removal and then used to heat the biosolids batch dryers and to drive the nine onsite microturbines that collectively generate 2.32 megawatts of electricity. VRSD reports that it uses approximately one third of the electricity onsite, while selling the remaining electricity to Southern California Edison helping to meet California's Renewable Portfolio Standard.

Prior to the tour, LACSD's Matt Bao, standing in for committee chair Mike Sullivan, and CASA Biosolid's Manager, Greg Kester, updated the committee on Kern County litigation, EPA's cancer slope factor for inorganic arsenic and the controversial San Francisco Public Utilities Commission biosolids compost giveaway program.



Process heaters using landfill gas



Biosolids Batch Dryer



2.32 MW Microturbines



Committee tour of VRSD Biosolids Drying Facility

**Referenced Article from Michael Wardell, Executive Director of the Mid-Atlantic Biosolids Association**

CASA Biosolids Manager, Greg Kester forwarded this article entitled, "Biosolids not a threat to the environment, human health" and suggests it for review as an excellent commentary on arguments for the use of biosolids. It can be found at: <http://www.bayjournal.com/article.cfm?article=3832> .



**Collection Systems**

Chair Sam Espinoza  
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**Air Permits for Collection Systems** by Sam Espinoza, LACSD

In order to provide reliable and continuous operation of a collection system, operators use various types of equipment for regular maintenance and for emergency backup. This equipment often has some source of air emissions associated with its operation, such as a diesel engine, that requires a special air permit. Types of equipment requiring permits include portable and stationary emergency generators, portable pumps, auxiliary engines operating a jetter/vacon unit, or even a portable carbon scrubber used for odor control. Following is a brief discussion of the various permits a collection system operator may encounter. These permits in general apply to engines with greater than 50 horsepower.

Local air quality management districts (AQMDs) are the primary agency that issues air permits and are most often the agency that determines that type of equipment that requires a permit. AQMDs issue a "Permit to Construct/Operate Stationary Equipment" for emission sources associated with a specific location, such as a permanently installed backup generator at a pump station. Permit conditions imposed by AQMDs typically limit the hours of emergency use as well as the number of hours for preventative maintenance testing. At the end of each year, the operator of such equipment is required to report annual usage to the local AQMD.

Local AQMDs also can also issue a "Various Locations Permit to Construct/Operate Equipment" for emission sources that can be moved from on location to another,

such as a portable pump. These permits restrict the amount of time the equipment can be used at a single location, typically a maximum of 12 months, since the intent of such permits is for temporary use. The months that make up this maximum length of time, referred to as residency time, do not have to be consecutive in order to "use up" the 12 months. For portable non-diesel sources of emissions, this is typically the only air permit required.

The California Air Resources Board (CARB) also issues air permits under its Portable Equipment Registration Program (PERP). This program is limited to diesel powered engines. The main intent of this program is to allow equipment operators, such as a contractor, to obtain permits that are valid in the various local AQMDs throughout the state. This eliminates the need to obtain multiple permits for equipment used in various AQMDs. A PERP permit has residency restrictions similar to an AQMD "Various Locations Permit".

Answers to typical questions regarding permit requirements and application submittal procedures may be found on the "Permit Requirements and Application Submittal Procedures" page of the AQMD website at:

[www.aqmd.gov/permit/requirements\\_for\\_permits.htm](http://www.aqmd.gov/permit/requirements_for_permits.htm).

## **Data Review Committee Meeting** by Bob Kreg, SCAP

The Data Review Committee held two meetings during the month of April. The first meeting was on April 13<sup>th</sup> with the second meeting on April 27<sup>th</sup>. Both meetings were held in Northern California. Both meetings were a continuation of the discussion on what indices should be used to evaluate the effectiveness of the management, operation and maintenance of a collection system as compared to other collection systems. The de-facto index currently used is the number of spills per 100 miles of pipeline per year. Although, this index has been used for years for comparing collection systems it is considered to put smaller agencies with less than 100 miles of pipe at a disadvantage. To level the playing field ten different indices have been discussed that include miles of pipe, pipe diameter, spill frequency or volume per capita, spills per category, and spill volume by the total volume conveyed. A complete listing of the 10 indices under consideration was published in the April SCAP Update. Each of the 10 indices has been assigned to a committee member to test its validity by using their own agency's data or a special data base comprised of CIWQS (California Integrated Water Quality System) data compiled by Russell Norman of the State Water

Resources Control Board (SWRCB). This information is then shared with the committee and evaluated to determine if a particular index will meet the committee's goal of establishing a fair and equitable index for comparing and evaluating collection systems. The data discussed to date has verified that smaller pipe diameters have the highest frequency of SSOs where larger pipe diameters have a significantly lower frequency but result in much more serious spills. The smaller diameter pipes, although spilling more frequently, tend to have significantly lower spill volumes, being easier to remediate than the higher volume, less frequent spills from larger diameter pipes. The exception is force mains where even smaller diameter force mains can result in significant sized SSOs. It has also been determined that smaller systems comprised of smaller pipe diameters tend to have a higher spill frequency than larger systems.

Other topics discussed were the importance of conducting an ongoing system evaluation to direct resources where they are needed most. This is especially true during times of financial uncertainty. A good ongoing CCTV inspection program that reviews maintenance practices as well as structural integrity will allow an agency to tailor its line cleaning and other maintenance operations based upon actual system need as opposed to conducting such operations based upon elapsed time. A good needs based maintenance program can result in the highest level of maintenance at the most efficient cost.

Another topic of discussion is the possible creation of a third spill reporting category. This third category would be for very small spills that do not reach surface waters. The reporting requirements and reporting frequency would be substantially reduced compared to what is currently required for Category I and II spills. The reason for this potential new category is to reduce the spill reporting efforts required for agencies that experience a high number of small spills, generally less than 100 gallons, but still have a means of reporting them. This is of particular importance for agencies in the Central Valley and Bay Area and agencies that have the responsibility for all or a portion of the sewer laterals. These agencies tend to have a high number of small spills, many under 10 gallons, resulting in a significant drain on agency resources to fulfill their reporting requirements.

Russell Norman also reported that he intends to send out enforcement letters to those agencies that have not signed up for the program but should have and to those agencies who have signed up but have not complied with any spill reporting, completing their questionnaires, or certifying their sewer system

management plan (SSMP) to CIWQS. He intends on sending these letters during the month of May.

The next Data Review Committee meeting will be on May 11, 2010 with the location to be announced. The meetings can be accessed via teleconference and WebEx. May is also the month that the state will release its update of the Statewide Sanitary Sewer Overflow Reduction Program Annual Compliance Report. This report recaps the effectiveness of the SSO Reduction Program for the past year and will be available on the SWRCB website.

### **WDR Deadlines** by Bob Kreg, SCAP

If your agency serves a population of 2,500 to 10,000 the Design and Performance Provisions, System Evaluation and Capacity Assurance Plan, Monitoring and Program Modifications, Program Audits and Communication Program elements and the final SSMP are due on May 2, 2010. If your organization serves a population of 2,500 or less, the Design and Performance Provisions, System Evaluation and Capacity Assurance Plan, Monitoring and Program Modifications, Program Audits and Communication Program elements and the final SSMP are due on August 2, 2010.

### **CWEA Annual Conference** by Ralph Palomares, El Toro Water District

The CWEA 2010 Annual Conference was held in Sacramento last month. A few of the sessions I attended were "How to eliminate odors in siphons" and the "WDR". My favorite part of the conference was the exhibits in the Convention Center, where you actually are able to see all the new technologies in the wastewater field. This year, amongst many other things, there were some new GIS mapping tools. Of course you get to see old faces and meet new people and find out who has retired from our industry as well.

There was some mention of SCAP, and in particular, the Flushable Wipes legislation AB 2256. Being in the industry and being a part of SCAP makes me feel great. There is such a talented pool of professionals in the entire SCAP organization, CWEA, as well as the local section of SARBS, all of whom joined forces with SCAP to hold a joint FOG seminar last February in Carlsbad, CA that was attended by over 175 people. SCAP is about sharing information with all its members, so please attend our next SCAP Collections Committee meeting on May 20, 2010 at the offices of the Los Angeles County Sanitation District.

Information regarding the meeting is listed on the SCAP website.

On a different note, at the CWEA Annual Conference, I received the Richard D. Pomeroy Award for dedication to our industry for the last 29 yrs. 4 months (actually 30 years in August 2010 but who's counting) and I would like to thank those of you who nominated me. It was a great honor to receive the Award and I also want to thank the El Toro Water District for their continued support.

### **AB 2256 Flushables Legislation Update** by John Pastore, SCAP

On April 20<sup>th</sup> AB 2256 passed out of the Assembly's Business, Professions Committee by a 6-3 vote. The bill now moves on to the Appropriations Committee. Several organizations have come out in opposition to the bill including; INDA, the California Chamber of Commerce, the CA Manufacturers and Technology Association, the Grocery Manufacturers Association and the Proctor and Gamble Company.

Conversations with Russell Norman of the SWRCB have indicated that the SWRCB may be recommending that a state agency be responsible for the third party testing of the product rather than leaving it up to the industry to self-regulate itself. SCAP is attempting to coordinate individual meetings and facility tours between our members and industry representatives to show them firsthand the full extent of the problem.

### **Upcoming Collection Systems Committee Meeting** by John Pastore SCAP

The next meeting of the Collection Systems Committee is scheduled for May 20<sup>th</sup> at the offices of the Los Angeles County Sanitation Districts and will feature discussions with representatives from the paper products industry, such as Kimberly Clark, and INDA (Association of Non-Woven Fabrics Industry) regarding the flushable problem and pending legislation. The full agenda for the meeting is being prepared and will be mailed out shortly.



## Energy Management

Chair Andre Schmidt  
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### Tradable Renewable Energy Credit Decision in Limbo by Andre Schmidt, LACSD

The recent California Public Utilities Commission decision on tradable renewable energy credits (TREC) is potentially on hold due to opposition being received from various entities. In particular, the investor-owned utilities (IOUs) are opposed to the decision's provision that limited the IOU's use of TREC to 25 percent of their annual renewables portfolio standard procurement. The decision defined bundled transactions—those involving both energy and credits, not subject to the 25 percent cap—as those that serve California load without needing intermediary energy transactions that often substitute RPS-ineligible energy. The decision emphasized that bundled deals provide more value to California ratepayers who pay for the RPS-eligible energy and should see the benefits from it. The way that TREC (unbundled transactions) are defined by the decision, the IOUs may already be at the 25 percent limit with existing contracts. As a result, the IOUs have sought a rehearing of the decision or changes to it and have requested a stay of the decision.

### Pipeline Biomethane by Chris Berch, IEUA

The Southern California Gas Company (SCG) and San Diego Gas and Electric have evaluated the opportunities to capture biogas from wastewater treatment facilities and condition this gas through select technologies to meet pipeline quality specifications for interconnection and distribution, as defined in the revised Rule 30 and Rule 39. SCG Rule 30 provides gas quality specifications for natural gas and biomethane connected to the distribution system, and Rule 39 provides policy and specifications for the interconnection.

Wastewater treatment facilities that produce raw biogas through anaerobic digestion now have the ability to condition this gas to "biomethane" as per Rule 30 specifications, interconnect this gas to SCG pipeline, and sell the renewable fuel to an end user at a premium value. The sales price of the fuel may be

extracted from the Market Price Referent (MPR) established by the CPUC. MPR is public information, and establishes a price floor for the investor owned utilities. The MPR provides a benchmark for implied biomethane pricing but does not capture the value of renewable attributes.

The goal of the biofuels initiative is to further the state's goal of deriving 20% of its renewable energy from renewable "bioenergy" sources through market development, demonstrations and selected commercial projects that have attractive economics and feature technologies important to market advancement. The first area of focus is purification of raw biogas from existing sources, particularly wastewater treatment facilities with digesters.

Over the next several years, state policy and regulation on GHG and renewables will likely put SCG in the position of procuring biomethane for its own use or for customer use under future special tariffs. Once a biomethane procurement framework is in place, SCG will have the potential opportunity to pursue rate-base projects for biomethane production.

The market potential for biomethane injection in the wastewater treatment plant sector alone could account for 1.5% of the total gas consumed in the SCG service territory.

### **Biomethane: A Key Player**

- It is a virtually zero carbon fuel that contributes to meeting AB32 goals in a variety of applications.
- Meets the early adoption objectives of AB 32 by providing California and its ratepayers with significant environmental and economic benefits by helping to reduce GHG emissions
- Meets the objectives of State's Executive Order S-06-06, which directs state agencies to promote instate biofuels production and use -- progress on this goal has been very slow -- more support for this market segment is needed.

### **Key Challenges and Policy Issues**

- Making the economics work based on available digester and biogas cleaning technologies and their ability to scale at the smaller sizes is challenging without subsidies.
- Connecting biogas suppliers to potential buyers is a key obstacle. Facilities with biogas are very intimidated by the energy market and the biomethane market price stability
- Lack of consideration of pipeline biogas in state and federal renewables programs poses a challenge -- consideration should be given to

an SGIP type program or other utility programs to provide support for small pipeline biomethane projects

- The NARUC resolution supporting federal tax incentives for pipeline biomethane in line with tax incentives for other renewables is a step in the right direction

SCG continues to establish clear requirements and processes for interconnection, ensure adequate infrastructure to accept the new source, maintain streamlined processes for contracting for gas or power sales, and develop and own renewable gas production facilities within state Electric and Gas Procurement guidelines. Regulatory policies should be even handed in supporting all cost effective renewable and low carbon resources, as currently no incentives are in place for pipeline biomethane.

**SCAP Energy Management Committee Meeting** by John Pastore, SCAP

The SCAP Energy Management Committee held its second quarterly committee meeting on April 27<sup>th</sup> at LACSD and featured numerous presentations on renewable energy credits (RECs) and tradable renewable energy credits (TRECs), copies of which are now posted on the SCAP website in the Reference Library under energy management. Mark McDannel from the Sanitation Districts of Los Angeles County presented an overview of RECs and addressed: What is a REC? How to count RECs; REC Ownership; REC sales; and gave a legislative and regulatory update on RECs.



Mark McDannel expounding on the value of RECs

Steven Hernandez, also from LACSD, discussed “How to Certify your RECs” from a public agency’s standpoint, that included: Renewable Portfolio Standard (RPS) Certification; the Western Renewable Energy Informational System (WREGIS) Account Registration; WREGIS Generator Registration; and WREGIS Data Reporting.



Steven Hernandez explaining RPS certification

From the private sector, Nicole Finerty from Evolution Markets, Inc. made a presentation entitled, “An Overview of California Renewable Energy Credit (REC) Markets”. Evolution Markets is the world’s largest environmental brokerage and provides complete financial services for green markets and the clean energy sector. Her presentation included how REC pricing varied from state to state and why; the impacts of supply and demand on the TRECs market; Investor Owned Utilities (IOUs); delivery rules for out-of-state power; and an overview of the TREC market from a national perspective. Committee chair, Andre Schmidt, also engaged the participants in a roundtable exchange of individual agency updates with regard to renewable energy projects and interests.



Committee Chair Andre Schmidt with a TREC overview

The next energy management meeting is scheduled for July 13<sup>th</sup> at a location to be determined.



## Water Issues

By Chair Valerie Housel  
[housel\\_va@sbcitywater.org](mailto:housel_va@sbcitywater.org)

### SWRCB Draft Report on Chemicals of Emerging Concern (CECs) by John Pastore, SCAP

On April 16, 2010, the SWRCB's Science Advisory Panel released its Draft Panel Report on Chemicals of Emerging Concern in Recycled Water for public review. The Panel was comprised of experts in the following areas:

- Human Health Toxicologist
- Environmental Toxicologist
- Risk Assessment/Epidemiologist
- Biochemist
- Civil Engineer
- Chemist

Furthermore, the Panel was charged with addressing the following questions related to CECs in recycled water used for irrigation and groundwater recharge:

- What are the appropriate constituents to be monitored in recycled water, and what are the applicable monitoring methods?
- What toxicological information is available for these constituents?
- Would the constituent list change based on level of treatment? If so, how?
- What are the possible indicators that represent a suite of CECs?
- What levels of CECs should trigger enhanced monitoring in recycled, ground, or surface waters?

While the findings of the Panel are much too detailed to report here, the draft report can be accessed online at the following SCCWRP website:

[www.sccwrp.org/view.php?id=574](http://www.sccwrp.org/view.php?id=574). The Panel's draft report includes the following four work products:

1. A conceptual framework for determining which CECs to monitor.

2. Application of the framework to identify a list of chemicals that should be monitored presently.
3. A sampling design and approach for interpreting results from CEC monitoring programs.
4. Priorities for future improvements in monitoring and interpreting of CEC data.

Comments on the draft report were due by May 15, 2010 followed by a meeting to discuss the public comments on May 21, 2010.

### Upcoming Water Issues Committee Meeting by John Pastore, SCAP

The next quarterly meeting of the Water Issues Committee will be held on May 27<sup>th</sup> at the offices of the Inland Empire Utilities Agency. Although the agenda is still being formulated, we are confirmed for a speaker and an informative presentation from the Orange County Sanitation District on the studies and work they have been doing regarding the issue of Chemicals of Emerging Concern. Announcement for the meeting will be mailed out in the next few weeks.

### Marine Life Protection Act by John Pastore, SCAP

After months of public outreach meetings a final working draft of the South Coast Initial Statement of Reasons for Regulatory Action (ISOR) was released by the California Fish and Game Commission on March 26, 2010. Subsequent to the release a number of public hearings have been scheduled to receive public comment and final adoption. SCAP's Mary Jane Foley has been working with our ocean dischargers for more than a year on this issue and continues to express concern that the SWRCB may someday consider imposing state water quality protected areas over State Marine Reserves (SMRs) and possibly State Marine Conservation Areas (SMCAs) as well. Many of our ocean discharge members are working individually to with the DFG and the CA Fish and Game Commission to assess the impact on their specific facilities.

Susan Ashcraft from the CA Department of Fish & Game suggests that anyone with concerns contact the Commission directly. A copy of the (ISOR) provided to the Commission for their April 7 meeting can be requested directly from them. Since the Commission voted to publish notice of intent to amend the MPA regulations with the draft document the Department had prepared for them, it is now a Commission document and cannot be amended unless directed by the Commission to do so.

## CEQA Scoping Document for Phase II Sediment Quality Objectives for Enclosed Bays and Estuaries by John Pastore, SCAP

On April 21<sup>st</sup> the SWRCB released its staff CEQA Scoping document for developing sediment quality objectives (SOQs) for enclosed bays and estuaries. You may recall that in Phase I of this work, the SWRCB developed the Water Quality Control Plan (WQCP) for Enclosed Bays and Estuaries, which was subsequently approved by USEPA. This document further describes the on-going program to develop and refine the SOQs, including a staff report supporting proposed amendments to the WQCP – Part I, including: Those parts of Sections V and VII that address the methodology to interpret and implement the SQO intended to protect benthic communities from direct exposure to toxic pollutants in sediments within some estuary habitats; and Those parts of Sections VI and VII that address the methodology to interpret and implement the SQO intended to protect people exposed to contaminants in fish and shellfish tissue derived from bay or estuary sediments.

This document is also intended to provide sufficient information to allow the public to comment on the scope of the SWRCB's CEQA analysis. A copy of the document can be found on the SWRCB Web site at [http://www.swrcb.ca.gov/water\\_issues/programs/bptcp/sediment.shtml](http://www.swrcb.ca.gov/water_issues/programs/bptcp/sediment.shtml). Written comments are due by noon on May 28, 2010.

## Reprint of AB 1366 Water Softener Legislation Implementation Article by Wes Woods II, Staff Writer for [dailybulletin.com](http://dailybulletin.com)

CHINO - Water industry experts Monday lobbied the Inland Empire Utilities Agency board not to ban the use of water softeners in the Inland Empire.

The recently approved Assembly Bill 1366 has given local governments power to regulate water softeners - which remove minerals that make water hard and reduce the effectiveness of laundry products - in certain areas of California.

The purpose is to eliminate salts used to soften water, which can hamper the recycling of wastewater when these chemicals reach treatment plants.

"Water softeners are a lot more important to everything that we do than just soften the water," said Michael

Mecca, director of marketing and product development for Performance Water Products Incorporated in Buena Park.

David Loveday, director of government affairs and communications for the Water Quality Association International Headquarters and Laboratory in Lisle, Ill., gave the board a report that detailed questions about the bill and noted how sales tax revenue would be eliminated because of job losses to soft-water equipment and service providers and others.

In their report, the group said water softeners contribute only about 10 to 15 percent of the salt problem.

Greg Hudson, owner of RainSoft of the Southland in Victorville who sells water softener products, told the board that after a November 2008 ban of water softeners in Santa Clarita, "chloride continued to rise. The water softeners did not play a part as they initially said it did."

Hudson said he was concerned the ban would lead people to run scams on unknowing citizens, noting there are companies which try to sell salt-free water softeners, which don't actually exist.

Board president Terry Catlin said this was not the first step the board had taken on this subject. "We do want to see each other as partners. We're regulated as to how much salt we can introduce into the basin and that drives our operations and our significant capital investments," Catlin said.

Richard W. Atwater, general manager and CEO of the agency, dismissed the water group's concerns. Atwater said a public hearing for the item would be on its agenda in June.

## Regulatory Affairs

### **Regulatory Help Desk**

Having a regulatory problem and want to talk to someone confidentially about what your options are? Helping individual members is one of my charges and a rewarding part of this job. Please feel free to call me at (949) 493-8466, or email at [mjfconsulting@cox.net](mailto:mjfconsulting@cox.net)

### Non-Sequitur

Democracies cannot dispense with hypocrisy any more than dictatorships can with cynicism.

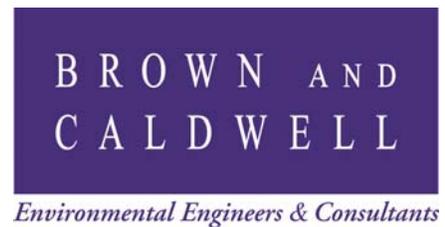
- Georges Bernanos (1888-1948)

**Some of our Supporting SCAP Associate Members**

**DUDEK**



**Kennedy/Jenks Consultants**  
**Engineers & Scientists**



**NWRI**

**HDR**

