For Immediate Release
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Senate committee approves bill to convert biosolids to clean energy

New technology will help state accomplish several of its environmental goals

Sacramento – State Senator Bob Wieckowski’s (D-Fremont) bill to establish a competitive grant program to convert biosolids to clean energy passed with strong bipartisan support in the Senate Environmental Quality Committee today.

“SB 1213 will provide crucial start-up funding to help wastewater treatment agencies throughout California invest in this cutting-edge approach to reduce landfill waste by converting biosolids to clean energy,” said Wieckowski, chair of the Environmental Quality Committee.

The bill will continuously provide $20 million from the state’s Greenhouse Gas Reduction Fund to the California Energy Commission to administer the competitive grant program, beginning in the 2016-2017 fiscal year. The grants will require a 50 percent local match.

Biosolids are the natural by-product of wastewater treatment. In the Bay Area, biosolids are projected to increase to 189,000 dry metric tons by 2030. The bill addresses the land management challenges faced by the wastewater agencies. SB 1213 will enable the state to reduce greenhouse gas emissions, increase landfill capacity and create renewable energy.

The Bay Area Biosolids to Energy Coalition (BAB2E), a joint powers agency consisting of 19 Bay Area agencies, has a shovel ready biosolids-to-energy project in the Dublin-San Ramon Services District. The project could initially convert 7 percent of the agencies’ biosolids into clean energy. As more investments are made, and the technology advances, a greater percentage of clean energy could be produced, according to BAB2E members.

The bill advances to the Senate’s Appropriation Committee.

The 19 BAB2E members circle the San Francisco Bay and include agencies from Santa Rosa to San Jose.

Senator Wieckowski represents the 10th District, which stretches from southern Alameda County to northeast Santa Clara County.
An act to add Section 39719.3 to the Health and Safety Code, and to add Chapter 7.8 (commencing with Section 25680) to Division 15 of the Public Resources Code, relating to renewable energy, and making an appropriation therefor.

LEGISLATIVE COUNSEL’S DIGEST


Existing law requires the State Energy Resources Conservation and Development Commission to administer various grant programs, including a program to provide incentives for liquid fuels fermented from biomass and biomass-derived resources.

The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act authorizes the state board to include the use of market-based compliance mechanisms to achieve its goals. Existing law requires all moneys, except for fines and penalties, collected by the state board from the auction or sale of allowances as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund.

This bill would require the commission to develop and implement the Biosolids to Clean Energy Grant Program to provide 50% matching
The Beginning with the 2016–17 fiscal year, the bill would continuously appropriate $20,000,000 annually from the fund to the commission for purposes of the program. The bill would, for the 2016–17 fiscal year, appropriate an additional $12,000,000 from the fund to the Bay Area Biosolids to Energy Coalition for the design and construction of a regional biosolids to clean energy project located in the San Francisco Bay Area.


The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:
(a) California wastewater agencies generate 2.75 million tons of biosolids each year.
(b) Biosolids management primarily consists of agricultural land application and landfill disposal.
(c) Agricultural land application is discouraged by many local governments, leading to increased landfill disposal and methane emissions. Most agricultural land application sites are located far from urban areas and wastewater treatment facilities, causing biosolids to be trucked many miles, resulting in increased petroleum consumption and greenhouse gas emissions.
(d) The Legislature, pursuant to Section 41780.01 of the Public Resources Code, established the policy goal of the state that not less than 75 percent of solid waste generated be source reduced, recycled, or composted by year 2020, and annually thereafter.
(e) In his 2015 inaugural address, the Governor called upon the state to reduce fuel consumption by 50 percent by 2030.
(f) In the San Francisco Bay area, hauling of biosolids by only 19 wastewater agencies contributes to one million trucking miles and consumption of 153,000 gallons of petroleum.
(g) Chapter 547 of the Statutes of 2015 requires electric utilities, by 2030, to increase to 50 percent the amount of electricity derived from renewable resources.
(h) Biosolids are a renewable resource for energy generation and can be converted to energy and useful byproducts without
incineration using various technologies, including, but not limited
to, supercritical water oxidation technology, which utilizes oxygen
and high pressure to create steam or hot water which, that, in turn,
can generate electricity.

(i) Biosolids are generated locally and biosolids to energy
projects can be deployed regionally as part of expanded regional
distributed generation projects serving local microgrids.

(j) California leads the nation in innovation and research and
development. Conversion of biosolids to energy has been proven
on a small scale. A public-private partnership among local
agencies, state government, and private enterprises to demonstrate
a commercial scale biosolids to energy project is consistent with
California’s leadership in promoting and creating renewable
energy.

SEC. 2. Section 39719.3 is added to the Health and Safety
Code, to read:

39719.3. Notwithstanding Section 13340 of the Government
Code, beginning with the 2016–17 fiscal year, the sum of twenty
million dollars ($20,000,000) annually is hereby continuously
appropriated from the fund to the State Energy Resources
Conservation and Development Commission for the Biosolids to
Clean Energy Grant Program developed pursuant to Chapter 7.8
(commencing with Section 25680) of Division 15 of the Public
Resources Code.

SEC. 3. Chapter 7.8 (commencing with Section 25680) is added
to Division 15 of the Public Resources Code, to read:

Chapter 7.8. Biosolids to Clean Energy Grant Program

25680. For purposes of this chapter, “biosolids to clean energy
capital project” or “project” means a capital project that uses
biosolids to generate useful heat energy or electricity, liquid or
gaseous fuels, or useful byproducts using nonincineration
technology in a manner or location that also reduces the emissions
of greenhouse gases as compared with biosolids management
practices in use at the time of the enactment of this chapter, such
as through a reduction in trucking biosolids to offsite landfill or
land application sites.

25681. The commission shall develop and implement the
Biosolids to Clean Energy Grant Program to award, on a
competitive basis, grants to local wastewater agencies providing
50-percent matching funds for biosolids to clean energy capital
projects.
25682. An applicant for a grant shall submit to the commission
an application on a form prescribed by the commission. The
applicant shall specify the sources of the matching funds for the
project.
25683. (a) In awarding a grant pursuant to this chapter, the
commission shall consider the following:
(α) The cost-effectiveness of the project.
(b) Any other factors deemed appropriate by the commission.
(b) The commission shall not award grants pursuant to this
chapter to local wastewater agencies that are subject to a
compliance obligation pursuant to regulations implementing a
market-based compliance mechanism described in Part 5
(commencing with Section 38570) of Division 25.5 of the Health
and Safety Code.
25684. The commission shall implement this chapter using
moneys appropriated pursuant to Section 39719.3 of the Health
and Safety Code and from any other moneys appropriated for
purposes of this chapter.
SEC. 4. (a) In addition to the amount appropriated pursuant
to Section 39719.3 of the Health and Safety Code, for the 2016–17
fiscal year, the sum of twelve million dollars ($12,000,000) is
hereby appropriated from the Greenhouse Gas Reduction Fund,
established pursuant to Section 16428.8 of the Government Code,
to the State Energy Resources Conservation and Development
Commission to provide 50-percent matching funds to the Bay Area
Biosolids to Energy Coalition for the design and construction of
a regional biosolids to clean energy project located in the San
Francisco Bay area.
(b) For purposes of this section, “biosolids to clean energy
project” means a project that generates electricity by creating steam
or hot water through the conversion of biosolids without
incineration using supercritical water oxidation technology utilizing
oxygen and high pressure.