

*“We are a welcoming, active and business-friendly rural
Foothill community built on California’s rich gold rich history. “*



City Manager’s Report
May 23, 2023 City Council Meeting
Prepared By: Pierre Rivas
Item#: 6.3

Subject: Consideration of Pioneer Community Energy Organic Waste Procurement Compliance Program for Senate Bill 1383 City Requirements

Recommendation: Receive and file presentation and provide staff or Pioneer with any comments.

Purpose: To provide the City Council with a proposal to purchase eligible biomass “attributes” to satisfy the City's procurement of organic waste products in satisfaction of SB 1383 and AB 1985.

Strategic Plan Strategy: Health and Public Safety, Strategy 8: Solid Waste Disposal – Develop a Solid Waste Program that protects the environment and provides efficient and effective service.

Background: Beginning January 1, 2022, SB 1383 requires every jurisdiction to provide organic waste collection services to all residents and businesses. The purpose is to reduce emissions of short-lived climate pollutants by reducing organic waste disposal by 50% by 2020 and 75% by 2025. Organic waste in landfills emits 20% of the total methane released in the State.

SB 1383 also requires every jurisdiction to procure annually a quantity of organic waste products. The City of Placerville’s amount of procurement, which is based on the City’s population, is 871 tons. AB 1985 sets procurement targets at 30% for 2023, 65% for 2024, and 100% for 2015. For Fiscal Year 2023, the total procurement amount is 544.38 tons.

Allowable products include finished compost (1:0.58 ratio), mulch (1:1 ratio), biodiesel fuel (1ton organic waste = 21 gallons biodiesel), anaerobic digestion generated energy, and biomass diversion of compliant feedstock to a biomass electrical generation facility.

Discussion: Pioneer Community Energy is a community owned non-profit provider of electricity at competitive rates, a choice of energy options including “green” options to reduce greenhouse gas emissions. Formed in 2017, Pioneer serves eight incorporated cities and most of unincorporated Placer and El Dorado County.

Greenleaf Power, seeks to acquire SB 1383 eligible biomass from local transfer stations for use as feedstock for operation of a biomass electric power generation facility such as Desert View Power Station which is owned by Greenleaf Power and then sell the eligible “attributes” to local jurisdictions to comply with the SB 1383 and AB 1985 procurement requirements. Greenleaf is selling 1 ton of compliant biomass that will be burned to produce biomass energy for \$32.50 per ton which is the equivalent of 650 kWh of biomass energy.

Pioneer proposes to facilitate and negotiate the final price and prepare the agreement with Greenleaf on behalf of its member participating agencies.

Options:

1. Receive presentation and open for questions.
2. Receive presentation and open for questions and provide further direction to staff.

Cost: There is no cost to the City at this time.

Budget Impact: Potential budget impacts at a minimum for the following fiscal years are anticipated as follows:

Fiscal Year	Anticipated Cost*
FY 2023-2024	\$17,692
FY 2024-2025	\$23,354
FY 2025-2026	\$28,308

*Cost does not include administrative costs for contract negotiations.



M. Cleve Morris, City Manager



Pierre Rivas, Development Services Director

Attachments:

- A. Pioneer Community Energy Organic Waste Procurement Presentation