June 17, 2013

To: Board of Directors

From: Executive Director

Re: 2013 SCAP Semi-Annual Report

**Purpose**

The following Semi-Annual report is intended as a snapshot on what has transpired in the last 5 months (Jan-May), both on the committee level and the administrative level. Our committee chairs/vice chairs are prepared to expand on any of the following committee issues at the Board meeting, subject to your request.

**Executive Director’s Report**

Finance

Pam continues to prepare and file the monthly financial reports, general ledgers, account balance statements; make bill payments and bank deposits; invoice membership/collect dues; and prepare budgets. In addition, Pam provides the Finance Committee with copies of the monthly financial reports and I provide an independent review of the bank statements and check payments, as recommended by our auditor.

Administration

Pam and I continue to manage the daily flow of information to the membership in the form of email alerts and memos; prepare and publish the monthly SCAP Newsletter; update the SCAP website and Facebook page; prepare annual events calendar; prepare annual committee schedule; coordinate committee presentations and meeting venues; conduct Board meetings and solicit new members.

Marketing

In an effort to promote SCAP and attract new members, we have accomplished the following to-date in 2013:

* Added 6 new public members and 6 new associate members.
* Continue to prepare and distribute the monthly SCAP Update newsletter
* Maintain the SCAP website and Facebook page.
* Manned a SCAP informational booth for 2 days at the April CWEA Conference in Palm Springs.
* Conducted or co-sponsored 14 committee meetings and 3 workshops, including two workshops in cooperation with the Governor’s office re: the San Onofre Nuclear Generating Station (SONGS) and the energy nexus with water/wastewater agencies, and a biogas workshop held at the South Coast AQMD offices.

We continue to participate in the following statewide committees: Tri-TAC, CWCCG, WaterReuse, NACWA, WEF, CWEA, the Clean Water Summit Partners, and the Governor’s SONGS energy nexus workgroup in order represent SCAP members’ viewpoints and interests.

Legal

SCAP has filed two amicus briefs on behalf of the membership at the request of the air quality committee. The amicus briefs have been filed to support SCAQMD and USEPA on Rule 1315 and USEPA and the San Joaquin Valley APCD Rule 3170.

Regulatory Responses

SCAP committees have testified and/or submitted comment letters on the following issues:

* SCAP comment letter to South Coast AQMD, dated 2/1/13, regarding the 2nd Draft California Communities Environmental Health Screening Tool (CalEnviroScreen).
* SCAP comment letter to CA Senator Roderick Wright, dated 4/9/13, regarding concerns over SB 389 – Emissions Offset Credits for Electric Generating Facilities.
* SCAP comment letter to CA Assemblyman Katcho Achadijian, dated 4/10/13, regarding opposition to AB 371 – Kern County Biosolids Ban.
* SCAP sponsored Summit partners letter to Costco, dated 3/14/13, requesting update on labeling of Kirkland brand non-flushable products.
* Joint Clean Water Summit Partners comment letter, dated 1/22/13, to Russell Norman, SWRCB regarding proposed changes to the WDR-SSS Monitoring & Reporting Program.
* Joint Clean Water Summit Partners comment letter, dated 4/15/13, to Russell Norman, SWRCB regarding proposed changes to the WDR-SSS Monitoring & Reporting Program.
* SCAP/Tri-TAC/CVCWA/CASA joint comment letter, dated 2/25/13, regarding concerns over the SWRCB’s Scientific Basis for Development of a Statewide Policy for Biological Objectives.
* Joint comment letter w/Healthy Waters Coalition to U.S. House of Representatives Agriculture Committee, dated 5/10/13, re: Farm Bill support.
* Testified before SCAQMD on Rules 1110.2, 1304.1, 177, 219, 222, and SB 389.

Major Issues that SCAP remains involved with in 2013:

* SWRCB Industrial Storm Water General Permit.
* WDR-SSS Revised Monitoring and Reporting Program
* Amendments to the Water Quality Control Plan for Enclosed Bays and Estuaries, Part 1 Sediment Quality Objectives.
* SWRCB Biological Objectives Implementation for Freshwater Streams and Rivers
* Pesticide regulation by USEPA.
* Dental Amalgam Rule.
* SWRCB Toxicity Plan
* SWRCB Mercury Objectives Policy
* SWRCB Cadmium Objective
* SWRCB Nutrient Policy
* SWRCB Resource Alignment/Cost of Compliance
* Various AQMD rules and policies.
* SWRCB WDR Monitoring and Reporting program.
* CalRecycle FOG/Food Waste Digestion-solid waste transfer station permitting issue.
* NRDC proposed policy for volumetric sewer rate pricing.

A summary of these major issues and more facing our wastewater community this year and being addressed by our SCAP committees is presented in the following committee reports section.

**Air Quality Committee Report**

Meetings

The Air Quality Committee meets monthly at the offices of LACSD and has met five times so far this year.

Air Quality Committee Major Issues in 2013

* 2015 Air Quality Management Plan
* CAPCOA Policy-making on PERP Equipment
* SCAQMD Rule 1315 new litigation
* SCAQMD Rule 317 new litigation
* SJVAPCD Rule 3170 new litigation
* 5-Year Update of AB 32 Scoping Plan
* Various state and federal legislative bills
* CalRecycle permitting of anaerobic digestion of foodwaste
* SCAQMD Rule 219 biofilter exemption and Rule 222
* SCAQMD Permit Modernization Efforts
* SCAQMD Rule 1304.1 and SB 389
* ICLEI Community ProtocolAB1900 – CARB/OEHHA Process
* AB32 Cap and Trade issues

Additional Information

Litigation Update by Greg Adams, Vice Chair—LACSD

The many lawsuits in which the SCAQMD is involved continue to progress.

In one of the most significant ones we have regularly reported on, AIR versus EPA (Ninth Circuit Nos. 09-71383-71404;AIR is an acronym for Association of Irritated Residents) we learned that EPA will not appeal the decision to the Supreme Court hence South Coast will be obligated to prepare a 1-hour ozone SIP in conjunction with the 24 hour PM 2.5 SIP submittal currently under preparation. It is unclear at this point what this dual SIP submittal actually means in terms of additional emissions reductions that will be required required and over what period of time they will take place. What is clear is that NOx from any combustion source will be heavily regulated as the basin moves toward a combustion-free environment.

While EPA has published a proposed approval of South Coast’s Rule 317 which implements an alternative compliance program to that specified in Section 185 of the Clean Air Act, we still await the final approval from EPA. The SCAQMD is bracing itself for at least one major lawsuit once the final approval is published.

On May 25, 2012, EPA issued final approval of SCAQMD Rule 1315 (Federal New Source Review Tracking System). This rule is the culmination of a long series of lawsuits that started with CEQA challenges to Rules 1309.1 and earlier versions of 1315 and which progressed through a permit moratorium and finally SB 827 which sunset on May 1 of this year. Another *permit moratorium is now in effect* until a 30-day runs out between the time the rule is published in its final approved form and when the rule can actually take effect. The moratorium should end June 25, 2012.

CWCCG Update by Kris Flaig, Chair—City of LA

The past several months have brought significant change to the various issues that the CWCCG is addressing. While still under the guise of Climate Change, the emphasis has shifted from greenhouse gases (GHGs), which includes development of the California Cap & Trade Program and Mandatory Reporting, to renewable energy, particularly definitions and inclusion in programs that could benefit the essential public services that we provide.

Of the 69 original AB32 Scoping Plan Measures, 9 early measures have been implemented, including Cap & Trade, Landfill Methane Control and Low Carbon Fuel Standard, have been implemented. Presently, only two POTWs generate sufficient GHGs to be nabbed by Cap & Trade. However, several of the larger agencies must look sharply to evaluate whether they are required to report, but not verify, emissions between 10,000 tpy and 25,000 tpy CO2e. These regulations more or less address GHG emissions.

Most of the other AB32 Scoping Plan Measures that may affect SCAP agencies address renewable energy, which typically emanates from our digester gas and landfill gas, and may be referred to as biogas or similar terms, whose definitions have not been entirely sorted out by legislators and regulators. One thing is clear; these emissions are the sources of renewable energy, which the State of California is adamant about capturing and utilizing to create electricity and thermal energy. The several other AB32 Measures include development of Renewable Portfolio Standards and Renewable Electricity Standards, N2O Collaborative Research, Increasing Renewable Energy Production in the water sector, Increasing the Efficiency of Landfill Methane Capture, Increasing Combined Heat and Power Use by 30,000 GWh, and others.

CWCCG, under the leadership of Zeynep Erdal with assistance from agency staffs have been addressing many of the traditional emission issues, as well as the several renewable energy issues. CWCCG and a number of agencies have been heavily involved in providing testimony and submitting comments on these issues. However, persuasive arguments from other industries have been able to carry sufficient weight to sway CPUC decisions and rulings, and CEC regulations more in their favor than we have in ours. Hence, the CPUC Renewable Energy bucket debate resulted in Bucket 1 being reserved for those who sell their RECs with their energy, and agencies who wish to sell RECs separate from their energy being relegated to Bucket 3. In another set-back, the CEC set aside its previous regulation language that allowed biogas to be cleaned-up and inserted into the natural gas pipeline network, until such time as the legislation is passed to address this issue.

At this time, many agencies are working towards bringing renewable energy projects on-line, through planning, design, and construction. CWCCG’s scope, once primarily focused on GHG emissions, is now more squarely addressing renewable energy issues, in an effort to make it easier for SCAP, BACWA, and CVCWA agencies to be a part of the State and federal renewable energy programs. This is essential, as these programs define what can be done, how it can be done, and how funding may be obtained to do it.

**Biosolids Committee Report**

Meetings

The Biosolids Committee meets quarterly, or on an as-needed basis, and has conducted two meetings so far this year. The first committee meeting was held in Kern County at the City of LA’s Green Acres Farm on March 7th and included a history and overview of operations followed by a tour of the Farm.

The second Biosolids Committee meeting was held on May 9th at OCSD in conjunction with the Tri-TAC Land Committee meeting. The meeting began with updates to local biosolids ordinances in Imperial, Solano and San Luis Obispo Counties and Kern County’s measure E. A majority of the meeting was based on discussions on state policies that could affect biosolids management, such as the FOG and food waste digestion regulations by CalRecycle and the California Department of Food and Agriculture regulation on rendering. The remainder of the meeting consisted of updates to regional facilities in northern and southern California, reports on several regional biosolids associations, and updates to biosolids research, including research on emerging contaminants.

Biosolids Committee Issues in 2013

Throughout 2013, the Biosolids Committee has monitored and reported on various regulatory issues that could or will affect Southern Californian biosolids management. In addition, the Biosolids Committee has provided its membership information relating to biosolids program developments by associations such as WEF and CASA, updates to local biosolids management facilities, such as the Terminal Island Renewable Energy (TIRE) project, and has informed its members about upcoming biosolids meetings, conferences and forums.

In addition, the Biosolids Committee began monitoring a new, major biosolids issue, which is the EPA’s potential disinvestment of its biosolids program. This potential issue may result in ceasing EPA oversight of biosolids management programs and facilities, which has caused widespread concern within the biosolids industry.

Ordinances

* Kern County (Measure E)
* Solano County (Measure E)
* Imperial County
* San Luis Obispo County

State and Regional

* CalRecycle FOG/ Food Waste Digestion
* CDFA Regulations on Rendering
* Proposed Statewide Waiver of WDRs for Composting Facilities

EPA and National

* EPA Disinvestment in Biosolids
* Biosolids Solid Waste Definition
* EPA MACT Standards
* Arsenic Cancer Slope Factor
* EPA Standards for Sewage Sludge Incinerators

Research

* Pyrethroids
* Trace Organics Activities
* WEF Biogas Study

**Collection Systems Committee Report**

Meetings

The Collection Systems Committee meets quarterly and has conducted two meetings this year. The first committee meeting was held at the Leucadia Wastewater District in Carlsbad on February 22st and featured presentations on flushables and non-disposable products by OCSD’s Nick Arhontes; an update on the SWRCB draft MRP requirements by SCAP’s Bob Kreg; How to perform a self-audit of your WDRSSMP by RMC’s Michael Flores; and a presentation on Enviroklean’s Piranha grease removal device.

The second committee meeting was held at the San Juan Capistrano Community Center in San Juan Capistrano on May 21st. The meeting featured a WDR MRP update by OCSD’s Dindo Carrillo; a presentation on the new Globally Harmonized System affecting employers existing Hazard Communication programs by ACWA consultant, Peter Kuchinsky; an update on calcium deposits in sewer lines by NCIP’s Joe Parker; training on WDR audits, inspections and enforcement by SWRCB’s Jim Fischer; a presentation on new technology for locating and identifying sewer line defects and leaks by ElectroScan’s, Mark Grabowski; and a presentation on the automatic grease recovery system by Dennis Dougherty.

Collection System Committee Issues in 2013

* Re-focusing from the SWRCB new Draft SSS WDR to the now proposed amendments to the WDR SSO Monitoring and Reporting Program. This new MRP is scheduled for adoption and will incorporate many new stringent requirements that were originally in the now defunct revised SSS WDR.
* Revisions and updates to SWRCB-CIWQS SSO reporting program.
* SWRCB WDR SSMP Audits.

Non-Regulatory Issues

* Flushable wipes.
* Development of an accepted spill volume calculation model.
* Force main assessment.
* Odor and corrosion control measures.
* CCTV technological advances.
* Study of spill incident cases and enforcement.
* Composite manhole covers evaluation.

The next collection system committee has not been scheduled but is contemplated to be held in the San Bernardino County area.

**Energy Management Committee Report**

Meetings

The Energy Management Committee meets quarterly and has conducted two meetings this year. The first committee meeting was held on February 28, 2013 at the Inland Empire Utility Agency’s Regional Plant No.1 in Ontario. The meeting featured presentations and discussions related to gas clean up systems and the utilization of fuel cells as a renewable energy source for POTWs. IEUA staff provided information on their renewable energy planning and implementation strategy, including a tour of their fuel cell project and solar panel array. Individual presentations were made by IEUA’s Jason Marseilles highlighting IEUA’s Energy Management Program; by Carollo’s Tom Mossinger regarding the various digester gas treatment

Systems on the market today; and an update on new fuel cell technology by Nick Fontaine and Dave Schneider from Anaergia.

The second meeting of the Energy Committee was held on May 30, 2013 at the offices of the Los Angeles County Sanitation Districts and was structured as a forum for our Associate members to provide an opportunity to display their services and technologies, as they relate to energy management. Presentations were made by Nick Weber & Mike Murray from Helio Power/Helio Energy Solutions on Energy Cost Optimization; by Mike Lee & Greg Bass from Noble Solutions/Noble Americas covering the RPS Market, status of AB1350, the reopening of Direct Access, and the status of the San Onofre Nuclear Generating Station; by Anaergia’s Juan Jossie, who provided an update on Victor Valley WRA’s Omnivore System & Biogas Upgrades; and lastly a Regulatory Update from the CASA Energy Workgroup by committee chair, Andre Schmidt.

Energy Management Committee Issues in 2013

* CPUC Rules on unbundled Renewable Energy Credits (RECs)
* CA Senate Bill SB X1-2 re: increasing California’s Renewable Portfolio Standard (RPS) to 33% by 2020
* CPUC establishment of a new Feed-In Tariff program.
* Utility energy efficiency programs.
* Power Purchase Agreements
* Pipeline Biomethane from POTWs.
* FOG and Food Waste Digestion opportunities.
* Revisions to the Self-Generation Incentive Program (SGIP)
* Western Renewable Energy Informational System (WREGIS).
* NoxTech Technology.
* CARB’s Cap and Trade Program.
* GHG Offsets.
* Fuel Cell technology.
* Wind and Solar Power.
* Alternatives to anticipated power “ Brown-Outs”.

**Water Issues Committee Report**

Meetings

While the Water Issues Committee attempts to meet quarterly or on an as-needed basis, it has conducted only one meeting this year due to the lack of progress by the SWRCB on many issues of importance, such as the toxicity issue and the biological objectives for freshwater streams. Nevertheless, the first committee meeting was held on May 9, 2013 at the offices of the Orange County Sanitation District in Fountain Valley in conjunction with the Tri-TAC water committee meeting. Major issues discussed included: SWRCB Resource Realignment Cost of Compliance; SWRCB Mercury Update; SWRCB Biological Objectives-Casual Assessment Guidance & Bio-assessmrnt Survey; SWRCB Toxicity Control Plan; SSS WDR MRP revisions; and SWRCB Cadmium and Hardness Policy.

Water Committee Issues in 2013

* SWRCB Draft Policy for Toxicity Assessment and Control (now redesignated as a Plan)
* Sediment Quality Objectives for Enclosed Bays and Estuaries.
* Developing Biological Objectives for Perennial Wadeable Streams in CA.
* Advisory Panel for CECs in Coastal and Marine Ecosystems.
* Regional MS4 Permit for Region 9
* Statewide Nutrient Policy.
* Statewide Mercury Program.
* Statewide Cadmium and Hardness Policy
* CIWQS Electronic Reporting Requirements.
* Development of Model Water Softener Ordinance.
* Salt Management Studies.
* Green Chemistry Initiative.
* Mercury TMDL & Objective.

**WASTEWater PRETREATMENT Committee Report**

Meetings

The Wastewater Pretreatment Committee meets quarterly or on an as-needed basis and has conducted two meetings this year. The first meeting was held on March 12, 2013 at the Inland Empire Utilities Agency and featured a presentation and discussion on pretreatment inspections and audits. The inland dischargers along the Santa Ana River have developed a unified inspection form and Eastern MWD’s Source Control Manager, Gregg Murray, explained the development of the form and shared his personal experiences on inspection techniques with the group. Also, OCSD’s Mark Kawamoto reviewed their recent EPA audit with the group pointing out key areas of concern to the investigators.

The second meeting of the Water Issues Committee was again held at the offices of the Inland Empire Utilities Agency on June 11th and featured presentations by: ????

Wastewater Pretreatment Committee Issues in 2012

* Emerging pollutants/SWRCB Requirements for CECs
* Federal dental amalgam rule
* Nano technology
* Water Softeners/TDS local limits
* Local limits review/establishment
* Pretreatment software
* Compliance audits/inspections
* Outsourcing pretreatment program
* Green chemistry
* Salinity management
* Pretreatment inspection and monitoring (fieldwork)
* Medical industry/hospitals
* Groundwater recharge
* Home plating operations
* Fee/funding for pretreatment programs
* Other issues such as: infectious waste, pump stations/rag problems, Industrial Pretreatment Operator Training/Certification