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# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

*"To Enrich Lives Through Effective and Caring Service"*

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IN REPLY PLEASE

REFER TO FILE: **EP-4**

Clerk's Office  
California Air Resources Board  
1001 I Street  
Sacramento, CA 95814

### **COMMENTS ON CAP-AND-INVEST AMENDMENTS - NEED FOR ORGANIC WASTE INFRASTRUCTURE FUNDING AND ALIGNMENT WITH SENATE BILL 1383**

Los Angeles County Public Works (Public Works) appreciates the opportunity to comment on the proposed 15-Day Amendments to the Cap-and-Invest Regulation. Our comments focus specifically on the budgetary implications of the proposal as they relate to organic waste management, implementation of the Senate Bill (SB) 1383 (2016) regulations, and the urgent Statewide need for organics processing infrastructure. We are providing the following comments for your consideration:

#### **1. The Proposal Does Not Provide Funding for Organics Infrastructure**

The proposed amendments do not allocate funding to help local jurisdictions develop the infrastructure required to meet the SB 1383 organic waste disposal reduction regulatory requirements.

Local jurisdictions continue to face significant challenges in implementing SB 1383, including:

- Insufficient anaerobic digestion capacity
- Limited markets for finished compost and digestate
- High capital costs for new or expanded facilities
- Transportation and siting constraints in urban counties such as Los Angeles
- Lack of flexibility to allow for high diversion organic waste processing facilities and advanced thermal conversion technology facilities that process organic waste to be feasibly implemented.

Without dedicated funding, local jurisdictions risk falling short of achieving the SB 1383 regulatory requirements, which will help support the State's progress toward the SB 1383 methane reduction goals.

Public Works respectfully requests that California Air Resources Board (CARB) work with California Department Resources Recycling and Recovery (CalRecycle) and the Legislature to establish dedicated, ongoing funding mechanisms for organic waste processing infrastructure, potentially supported by Cap-and-Invest revenues or complementary incentive programs such as the Manufacturing Decarbonization Incentive Allocation.

## **2. Projects Creating Energy from Organic Waste Should Be Recognized as Decarbonization Infrastructure**

The amendments clarify rules for biomass-derived fuel exemptions, which is helpful. However, the proposal does not explicitly recognize the following as eligible decarbonization infrastructure for future incentive allocations:

- Anaerobic digestion
- Co-digestion at wastewater treatment plants
- Landfill gas-to-energy upgrades
- Composting operations that reduce methane emissions
- Advanced thermal conversion technologies that process organic waste and are capable of demonstrating greater methane reductions than composting operations.

Public Works recommends CARB:

- Explicitly identify that organic waste processing facilities creating renewable energy are eligible for future Cap-and-Invest-supported incentives.
- Ensure that local jurisdiction projects can participate in both Cap-and-Invest exemptions and external incentive programs without penalty.
- Consider establishing a dedicated organic waste processing sector carve-out within future allowance-based incentive programs.

These steps would align the Cap-and-Invest program with the State's SB 1383 methane reduction priorities.

## **3. Align Cap-and-Invest Budget Planning with SB 1383 Requirements**

SB 1383 mandates a 75 percent reduction in organic waste disposal and 20 percent edible food recovery Statewide. Meeting these requirements requires substantial capital investment of up to \$1 billion Statewide in:

- Organic waste collection systems
- Composting facilities
- Anaerobic digesters
- Transfer and preprocessing infrastructure, including high diversion organic waste processing facilities
- Advanced thermal conversion facilities processing organic waste
- Renewable fuel and electricity production from organic waste

The Cap-and-Invest amendments acknowledge the importance of decarbonization but do not integrate SB 1383 infrastructure needs into the program's budget planning.

Public Works recommends CARB:

- Incorporate SB 1383 infrastructure needs into future Cap-and-Invest budget allocations.
- Prioritize organic waste-related projects in future funding cycles.
- Coordinate with CalRecycle to ensure consistent Statewide planning.

This alignment is essential to achieving the State's SB 1383 goals.

#### **4. Request for a Statewide Organic Waste Infrastructure Investment Strategy**

Given the scale of infrastructure required, Public Works urges CARB to collaborate with CalRecycle, the State Legislature, and other partner agencies to develop a Statewide organic waste infrastructure investment strategy, including:

- A multi-year funding plan
- Identification of priority regions with capacity shortfalls, including Los Angeles County
- Integration of Cap-and-Invest revenues, federal grants, and private sector financing
- Support for local jurisdictions facing high siting and permitting barriers, including Los Angeles County.

Such a strategy would provide clarity to local jurisdictions and help accelerate the development of needed infrastructure.

Public Works appreciates CARB's continued leadership in advancing the State's climate goals. We respectfully request that CARB incorporate the recommendations above to ensure that the Cap-and-Invest Program supports the infrastructure necessary to meet

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SB 1383 mandates Statewide and the regulatory requirements for local jurisdictions, reduce methane emissions, and build a resilient, carbon-negative organic waste management system.

We look forward to continued collaboration with CARB on these critical issues.

If you have any questions, please contact me or your staff may contact Mr. Siyavash Araumi at (626) 458-4991 or [saraumi@pw.lacounty.gov](mailto:saraumi@pw.lacounty.gov), Monday through Thursday from 7 a.m. to 5:30 p.m.

Very Truly Yours,

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