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Sent: Wednesday, January 29, 2014 3:00:17 PM
To: Corning, Bruce (Biff)
Cc:
Subject: Good morning Chairperson Cheh and the members of the Committee on Public Works and the Environment
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Good morning Chairperson Cheh and the members of the Committee on Public Works and the Environment. My name is William Howland. I am the Director of the Department of Public Works and will present the Mayor's position on the proposed legislation.

The "Waste Management Modernization Act of 2014" is a welcomed beginning of a much needed dialogue about what legislative changes are needed to support solid waste management in the District over the next 20 years. The proposed legislation reflects the Committee's desire to create increased waste diversion opportunities throughout the District.

As you know, the Mayor is also designing his vision about what an integrated solid waste management program will look like for the District. Both your vision and his view the residuals as a useable, recoverable, or refinable economic asset, not merely waste that needs to be disposed of. We also share a vision that the District should minimize the amount of materials that need to be managed in the first place. It seems that while we share common goals, we differ on our paths forward.

The proposed legislation seeks to comprehensively update various sections of the DC code dealing with solid waste collection and disposal matter. Some of these proposals, while well intentioned, may have the unintended consequences of hindering DPW's ability to enforce existing regulations while new regulations are being crafted. However, I am confident that we can work together to minimize

those impacts and create a regulatory framework with enough flexibility to move the District forward.

There are elements of the bill that have been modeled on other cities that are considered leaders in this field. DPW has also looked at what other cities are doing with respect to solid waste management and has discovered fundamental differences in both service provider structure and economics that make adoption of their systems at best problematic.

For example, San Francisco is viewed to be the nation's leader in mandating ways to increase diversion from landfills by recycling and composting. Their city charter essentially turns their entire system, for both residential and commercial collections, over to a single provider. This provider is able to charge a user fee that guarantees them a profit and essentially no competition. Their integrated solid waste management system design decisions are easy to implement because the entire generation stream is collected by a single hauler. Residents and businesses essentially have no option to opt out without a monetary penalty. This is not the case in the District where at least 70% of the waste stream is collected by a free market, private sector collection system. The District's commercial collection framework undermines the opportunities to adopt many aspects of the San Francisco model. Further, disposal costs in the Bay area of California are almost double those that are charged in this area, making more expensive diversion methods, such as large scale composting, more cost effective.

New York City is another example where disposal fees are expensive enough that alternatives to traditional disposal options are more attractive to that city from a cost perspective. In the District, disposal fees including transport hover around \$50 per ton. It currently costs businesses wanting to compost their food waste a significantly higher amount to do so.

The District is in a unique position in that we have no in-town processing materials capacity, whether for recycling, composting or conventional disposal. We are consumers of other jurisdictions facilities and lose the economic and energy value associated with the materials we export. To complicate matters, there is precious little industrial land within the District to site any of these facilities should it be our choice to do so.

DPW is pursuing a two pronged approach to developing a strategy for the solid waste management needs of the District. In the near term, our approach is more tactical and is focused primarily on ensuring continued disposal, recycling and composting capacity for the materials that DPW collects and for those materials collected by private haulers using our transfer stations. We are also considering rebranding the Office of Recycling to the Office of Waste Diversion, sharing the same vision presented in the proposed legislation. This office would focus on source reduction, recycling and reuse opportunities for residents and businesses throughout the District.

DPW's long-term strategy is guided by Mayor Gray's Sustainable DC plan. Our overarching goal is to design and operate an integrated solid waste management

system that returns value to the District economy in the form of jobs, renewable energy, local control, natural capital capacity, and technological advancement. DPW is currently developing a quantitative planning tool that will calculate the amount of air, land and water that our current waste system uses and compare that information to several alternative waste management strategies including increased recycling and refining. We plan to conduct a public session in the near future to further explain the project and to receive resident and interest group feedback and welcome the Committee to participate in this process. We are confident that the end product will provide a strategy roadmap for the long term solid waste management needs of the District.

Thank you Chairperson Cheh and members of the Committee for the opportunity to present the Executive Branch's testimony on the proposed legislation. I am happy to answer your questions at this time.