Testimony of Randy Tucker, Legislative Affairs Manager In Support of Senate Bill 98 Senate Committee on Environment and Natural Resources February 26, 2019



Chair Dembrow and Members of the Committee:

Metro is the regional government of the Portland metropolitan area, with major responsibilities for managing the region's solid waste and providing opportunities for recycling and waste reduction. Metro serves a population of more than 1.5 million, providing services and educational resources that protect the environment and reduce the amount and toxicity of the solid waste stream.

Food is the largest component of our disposed solid waste stream. Food constitutes almost one-fifth of what we send to landfills, where it decays and creates methane, a potent greenhouse gas (GHG). In 2018, the Metro Council adopted a requirement that certain businesses in our region participate in a food scraps collection program. The food scraps collected would then be processed through anaerobic digestion or other means into energy or other useful products.

A key requirement for the success of this program is having facilities with sufficient capacity to process the collected materials. Our programs are anticipated to manage up to 50,000 tons per year of food scraps from businesses. SB 98 will support our efforts to bring additional food scrap processing capacity geographically closer to our region. Currently food scraps collected from our local businesses are processed at facilities located 80 to 100 miles away. Developing additional facilities nearer to our businesses will reduce transportation costs and associated GHG emissions.

SB 98 will also increase the demand for renewable natural gas (RNG) by allowing natural gas companies to buy and sell it to their customers. The bill will also grow the demand for RNG by creating targets for the percentage of renewable natural gas purchased by the utilities. A stable market for RNG with lower capital costs will promote the development of anaerobic digestions projects.

In 2017, the Oregon Legislature passed SB 334, directing the Oregon Department of Energy to establish an advisory committee to inventory all potential sources of biogas and RNG and make recommendations on removing barriers to producing and utilizing these energy sources. Metro was appointed to and participated in the committee. Metro supports the committee's top two recommendations which are also key elements of SB 98: (1) allow the natural gas companies to buy and sell RNG to and for their customers; and (2) allow local gas distribution companies to recover pipeline interconnection costs through their rates.¹

Metro believes SB 98 will benefit all Oregonians. We urge you to move it forward.

¹ Biogas and Renewable Natural Gas Inventory SB 334(2017), 2018 Report to the Oregon Legislature, September 2018", page 3