

**Testimony to the Senate Energy and Technology Committee  
In Support of Senate Bill 314  
By Granger**

Chairman Nofs and committee members, I would like to thank you for the opportunity to present our position of support for Senate Bill 314. My name is Tonia Olson. I serve as director of governmental and community relations for Granger.

Granger collects tomorrow's energy. Our more than 230 associates provide waste hauling, disposal, recycling and compost services and produce renewable energy from landfill gas. In 1985, our third-generation, family-owned, Lansing-based business was the first to develop and implement a commercial scale landfill gas project in Michigan. Today we operate 16 projects in six states. Our eight Michigan projects have a current combined capacity of slightly more than 40 megawatts or enough electricity to power more than 24,000 average-sized homes.

Senate Bill 314 is designed to increase renewable energy production in landfills from Michigan's waste resources. This bill has been developed from many years of research, debate and negotiation. It presents a positive and smart policy change that allows a waste resource to be utilized in more than one way.

Our customers, the Lansing Board of Water and Light, Consumers Energy and the Michigan Public Power Agency, would like more renewable energy. We know that the quality and quantity of landfill gas is directly related to the organic content of the waste stream. Yard clippings represent the highest organic content of the currently non-landfilled waste stream. We know we can effectively harvest landfill gas and use it to make energy.

Senate Bill 314 proposes to allow yard clippings back in landfills that recover and utilize the gas produced as a source of energy. Yard clippings, the waste from yard maintenance, leaves, grass and tree trimmings less than four feet in length and two inches in diameter, were banned from Michigan landfills in 1995.

Landfill gas forms from the decomposition of organic matter in a landfill. Within months of waste being placed, landfill gas can be collected, processed and used in many applications as an alternative to natural gas. Landfill gas as a renewable energy source is desirable because it is considered base load power. It is available 24/7/365 and can be harvested 20 to 30 years after a landfill closes.

In 2007, Granger commissioned the report *Examining Increased Renewable Energy Production from Landfill Gas in Michigan*. The report was prepared by Public Sector Consultants. It identified 50 municipal solid waste landfills in Michigan; 20 with operational landfill gas projects and at least 12 more that could be developed. In the years since, we now have at least 30 operational landfill gas projects at active landfills. The energy production from these projects ranges from 3.2 megawatts to 20+ megawatts. The report predicted a 10 percent increase in production if half of the yard clippings generated in the state were allowed back in landfills with energy projects.

The environmental benefits of landfill gas projects are real. According to the Environmental Protection Agency (EPA), for every 3 megawatts generated, enough energy is produced to power 1,800 average-sized homes.<sup>1</sup> In Lansing, our two landfills transmit electricity to the Lansing Board of Water and Light. The combined capacity is currently 11.2 megawatts or enough to power about 7,000 homes in our capital city. This electricity amounts to more than 5 percent of the Board of Water and Light's retail sales.

The economic development and job benefits of landfill gas projects are also real. The EPA suggests that the typical 3 megawatt landfill gas project adds \$1.5 million in expenditures and directly creates five new jobs.<sup>i</sup>

Senate Bill 314 addresses the concerns of various interests.

The compost industry is concerned about the loss of feed stock. The conditions of the bill and the market do not predict the dismantling of the compost industry. Compost businesses are viable in states without yard clippings bans. In fact, the majority of states (27) do not ban yard clippings from landfills. The language of Senate Bill 314 does not maintain the exclusive mandate of access to yard clippings for composters only. Instead the language provides equal access for all industries with an interest in beneficially using yard clippings. An added benefit to this provision is that the role of generators (homeowners) does not change. They will not need to be educated (or re-educated) based on the final disposition of the material. (Page 2 Lines 21 and 22)

Also, the language reinforces the authority of state and local governmental agencies. Specifically, municipalities that own and operate landfills and those that directly or indirectly transport waste materials must initiate change through a public process. Additionally, county authority is reinforced with a provision related to county solid waste planning. (Page 3 Lines 13-27)

Finally, landfill owner-operators must reach a high standard to earn the opportunity to utilize yard clippings for the production of energy. The language in Senate Bill 314 requires reporting, documentation in the facility operating record and, most importantly, recovery and use of the gas. (Page 2 Lines 8-14, Lines 25-27 and Page 3 Lines 1-12)

Michigan landfills are already subject to numerous state and federal reporting and compliance regulations.<sup>ii</sup> This oversight provides protection of air quality, but does not prescribe how management is facilitated. The investment of converting landfill gas to an energy use is a costly, voluntary measure. It is important to note that Senate Bill 314 raises the bar for management of our Michigan landfill assets—not only providing a requirement to capture the gas, but also put it to a productive use.

Thanks to advances in landfill management and landfill gas-to-energy technology, we now have an additional option for the management of yard clippings. The reasons for the original ban, to conserve space and promote recycling, can be addressed by a landfill utilizing yard clippings for energy production.

Understanding that a one-size fits all approach is not our only option, Senate Bill 314 promotes the opportunity for the choice of management of yard clippings. As a compost center operator and landfill gas developer, we encourage your support of Senate Bill 314 to increase renewable energy production from landfills in Michigan.

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<sup>i</sup> Environmental Protection Agency Landfill Methane Outreach Program website

<sup>ii</sup> EPA LMOP, Green Power from Landfill Gas: Helping build a sustainable energy future while improving the environment, December 2010

<sup>iii</sup> The Michigan Air Emissions Reporting System (MAERS) subjects landfills to requirements to calculate and pay for emissions from the operations and ancillary sources. Landfills are subject to Part 55, Air Pollution Control, of the Natural Resources Environmental Protection Act (NREPA), PA 451 of 1994. This includes the Federal New Source Performance Standards (NSPS), Permit to Install (PTI), and Prevention of Significant Deterioration (PSD) rules. Michigan landfills are subject to control gas odors from migrating off-site, and to have a Renewable Operating Permit. Finally, landfills are required to report GHG emission from the landfill and ancillary operations to the Environmental Protection Agency (EPA).