Presentation to Virginia's Executive Order 57 Workgroup

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Introduction

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Major Greenhouse Gasses

- Major Sources of Green House
 Gasses Impacting VA
 - 1. CO₂ Emissions from Electric Generating Units (EGU's)
 - 2. Methane (CH₄) emissions from landfills
 - 3. CO_2 emissions from transportation



Source: U.S. EPA Inventory of U.S. Greenhouse Gas Emissions and Sinks

- Why focus on CO₂ when Methane's significantly worse?
- Methane is second largest greenhouse gas behind CO₂
- Landfills are the third largest source of anthropogenic methane (CH₄)
- Methane (CH₄) is 25 times as effective as CO₂ at trapping heat in the atmosphere (IPCC 2007)



Municipal Solid Waste (MSW)

MSW In the United States

- Approximately 254 million tons generated in 2013¹
- Approximately 2,000 active MSW landfills in the United States

Virginia²

Sources:

- Landfilled approximately 7.4 million tons of MSW in 2014
- Currently has approximately 50 permitted and active landfills
 - 1 U.S. EPA 2 - Waste Managed in Virginia During Calendar Year 2014

Northern Virginia County Findings by Material



Source: Prince William County Waste Composition Study, Summary of 2013-2014 Results

Approximately 90% of the materials listed can be processed for recycling recovery and converted to mixed alcohols if MSW were diverted.

Notes 1 - Organics material includes food waste, organics and yard waste. 2 - Other materials Includes construction and demolition debris, electronics, household hazardous waste and miscellaneous materials such as carpet and mattresses.

Diversion of MSW

- Diversion of MSW from landfills for conversion to mixed alcohols will:
 - Eliminate approximately 6 tons of methane CO₂ equivalent (CO₂E) per ton of waste diverted annually;
 - Not increase CO₂ from other sources such as transportation, since waste collection systems remain unchanged;
 - Minimize landfill usage for biogenic waste materials, therefore extending their life; and
 - Reduce reliance on fossil fuel, since the conversion to mixed alcohol utilizes the energy value contained within the MSW, which would otherwise be lost when landfilled.
- MSW Diverted from landfills will be processed through a three phase process consisting of waste processing, gasification to syngas and conversion to mixed alcohols an alternative liquid transportation fuel.



Carbon Offsets

- Current Status
 - Tradable Carbon Offsets are currently only available when landfill methane is used to generate electricity.
 - > Currently only available within the electric generation sector.
 - > There is no credit for eliminating methane generation.
- Why They're Important
 - Tradable Carbon Offsets created from the diversion of MSW for conversion to an alternative liquid transportation fuel are needed to finance the multi-million dollar MSW to mixed alcohol conversion facilities

Moving Forward and What's Accomplished

Moving Forward

- Holistic and Multisector approach to GHG reductions where:
 - Virginia Implements regulations diverting MSW from landfills for the conversion to an alternative transportation fuel.
 - Virginia creates tradable Carbon
 Offsets for the elimination of methane emissions.

What's Accomplished

- Achieves significantly more GHG reductions than closing coal fired EGU's and improvements in energy efficiencies.
- Improves vehicle tailpipe emissions when the mixed alcohols are blended with other liquid transportation fuels.
- Enables financing for the MSW conversion facilities by allowing them as an offset to CO₂ emissions from coal-fired EGU's

Note: Replacing coal fired EGU's with natural gas EGU's still utilizes a fossil fuel and generates CO₂ emissions.

Solution Summary

Executive Order 57 Objective

- Develop carbon reduction strategies while considering factors such as;
 - Impact on the reliability of the electric system;
 - Impact on electric rates;
 - > Economic impact.

The Solution

- The diversion of MSW, including food and organic wastes, for conversion to an EPA registered alternative liquid transportation fuel (mixed alcohols) fits within EO57 mission and will:
 - Eliminate ~ 48 million tons of methane CO₂ equivalent in period 1 as compared to the 31 million ton goal set by the EPA for the period;
 - Provide the Commonwealth with a significant economic development opportunity; and
 - Minimize electric system reliability impacts and rate increases within Virginia.
 - Creates ~ 48 million tradable Carbon Offsets

Impact on Virginia

- When Implemented the diversion of MSW from landfills and the creation of tradable Carbon Offsets will:
 - Minimize the use of landfills for the disposal of post-recycled MSW;
 - Increase recycling within the Commonwealth;
 - Minimize electrical generation system impacts and costs;
 - Contribute to the Commonwealth's low carbon future;
 - Provide the Commonwealth with compliance flexibility;
 - Require no public financing; and
 - Establish the Commonwealth as a national leader in Greenhouse Gas reduction, including reducing tailpipe emissions when mixed alcohols produced from MSW are used in automobiles.

Questions and Discussions

Thank You