



Romaine Quinn

STATE REPRESENTATIVE • 75th ASSEMBLY DISTRICT

January 16, 2020

Chairman Kitchens and Members of the Committee:

Thank you for holding this hearing on Assembly Bill 713, which expands the exemption on tipping fees to waste to energy facilities in Wisconsin.

Under state law, most landfills must pay the DNR a tipping fee based on the total tonnage of material they dispose of. In 2013, Wisconsin Act 301 exempted certain residual non-recyclable waste from qualified materials recovery facilities (MRFs) from all state tipping fees up to 30% of the total weight of material accepted by the facility, effective with waste disposed of on or after January 1, 2015. Broadly, this exemption applied to recycling facilities, as the state rightly saw a benefit to helping these facilities operate more efficiently.

Unfortunately, due to a difference in licensing, the Barron County and LaCrosse waste to energy facilities were not included in the definition of qualifying MRFs. The Barron County and LaCrosse facilities incinerate waste to generate energy, recycle what they cannot burn, and dispose of anything they cannot recycle. They have an equally important role alongside other MRFs in responsibly disposing of the waste Wisconsin generates.

AB 713 creates an exemption for these two facilities that applies to the weight of residue generated by the recycling process or 30% of the total weight of material accepted by the facility, whichever is less. This exemption does not apply to any ash generated by the facilities. This exemption mirrors the exemption created by 2013 Wisconsin Act 301.

Wisconsin rightly believes that our counties and our citizens should be responsible in how we dispose of the waste we generate. The waste to energy facilities currently in operation are a meaningful part of that responsible disposal plan. Creating this 30% exemption will help ensure that these facilities can operate efficiently and effectively now and in the future, and put them on a more even footing with other similar facilities across the state.

I am happy to answer any questions. Thank you.



JILL BILLINGS
STATE REPRESENTATIVE

January 16, 2020

Chairman Kitchens and Members of the Committee:

Thank you for holding a hearing on Assembly Bill 713, which provides a tipping fee exemption for waste-to-energy facilities in our state. This legislation will create uniformity in Wisconsin's tipping fee exemptions and promotes public/private innovation.

La Crosse County is home to a unique and award-winning public/private partnership in the disposal of municipal waste. For over 30 years, La Crosse county and Xcel Energy have been partners in lowering land disposal of municipal waste by reusing this waste to generate energy. The La Crosse County Disposal System members send approximately 76,000 tons of household waste to the Xcel Energy plant to be used as a refuse derived fuel (RDF) source for Xcel's waste-to-energy facility. This RDF is incinerated to generate electricity for approximately 10,000 La Crosse area homes. This system currently serves La Crosse, Buffalo and Trempealeau Counties, dozens of municipalities, along with multiple businesses striving to achieve zero landfill initiatives.

Assembly Bill 713 provides an exemption to the Wisconsin Department of Natural Resources (DNR) tipping fee on the residue not suitable for fuel at waste-to-energy plants like the one in La Crosse and Barron County. State law already exempts a variety of waste by-products from tipping fees, including materials not suitable for recycling brought to recycling centers and residue left from sorting processes at material recovery facilities and construction and demolition material recycling facilities (2013 Wisconsin Act 301). This legislation brings parity among tipping fee exemptions in the state and encourages innovative refuse management.

Thank you for your time and consideration of AB 713.

Sincerely,

A handwritten signature in black ink that reads "Jill Billings". The signature is written in a cursive, flowing style.

Jill Billings
State Representative
95th Assembly District



Assembly Committee on Environment

2019 Assembly Bill 713

Exempting certain waste-to-energy facilities from tipping fees

January 16, 2020

Good morning Chairman Kitchens and members of the Committee. My name is Kate Strom Hiorns, and I am the Recycling and Solid Waste Section Chief with the Wisconsin Department of Natural Resources. Thank you for the opportunity to testify on Assembly Bill 713 (AB 713), relating to exempting certain waste-to-energy facilities from tipping fees at landfills.

AB 713 would exempt an amount equal to the weight of waste—or residue—resulting from waste-to-energy (WTE) facilities or 30 percent of the total weight of material accepted by the facility, whichever is less, from statutory landfill tipping fees. Solid waste disposed at landfills is subject to a range of “tipping fees” that total \$12.997 per ton. There are various types of waste exempt from some or all of these fees.

Similar statutes exempt from landfill tipping fees:

- an amount equal to the weight of the residue generated by a material recovery facility (MRF) or 10 percent of the total weight of material accepted by the MRF, whichever is less; and
- an amount equal to the weight of the residue generated by a construction and demolition (C&D) waste processing facility or 30 percent of the total weight of material accepted by the facility, whichever is less.

These types of facilities accept waste that has been separated from other solid waste to facilitate the recycling process. Residues are comprised of materials that are too contaminated to recycle or non-targeted materials.

The intent of the previous exemptions was to reduce cost for these recycling facilities, therefore improving the economics of recycling and encouraging the development of additional recycling facilities. These two types of facilities target certain materials within the waste stream and make efforts to minimize contamination and non-targeted materials that are delivered to their facilities.

Unlike those facilities, WTE facilities in Wisconsin accept municipal solid waste (MSW) that has not been separated or prepared in any particular manner prior to collection. MSW delivered to WTE facilities is identical to that delivered to landfills. The residues that would be exempted by this bill will likely be materials with low energy content or materials that the WTE facility has decided not to incinerate because they would adversely affect the combustion operation. The exemption is unlikely to result in the diversion of additional materials to WTE.

The bill, as amended, will only impact two facilities in the state that have a MSW combustor license, the Xcel Energy-French Island Generating Plant in La Crosse and the Barron County Waste to Energy Facility. WTE facilities currently benefit from reduced tipping fees for ash disposal. This legislation would provide additional relief from fees for materials the WTE facility chooses not to process through incineration.

A possible alternative to the fee exemption created under AB 713 would be to reduce the percentage of material eligible for fee exemption from 30 percent to 10 percent. This would place WTE facility fee exemptions in line with fee exemptions for traditional MRFs that process materials for reuse or recycling into a consumer product or a product which is then used as a raw material.

On behalf of the Bureau of Waste and Materials Management, I would like to thank you for your time today. I would be happy to answer any questions you may have.



MEMORANDUM

TO: Honorable Members of the Assembly Committee on Energy

FROM: Daniel Bahr, WCA Government Affairs Associate

DATE: January 16, 2020

SUBJECT: Support for Assembly Bill 713

The Wisconsin Counties Association (WCA) supports Assembly Bill 713, relating to exempting certain waste-to-energy facilities from tipping fees. Wisconsin has a total of two waste-to-energy facilities in the state, both of which are owned by the respective county (Barron and La Crosse) where they are located. Under this proposal, both would be eligible for up to a 30 percent exemption of “total tonnage received” from tipping fees.

A materials recovery facility takes all of the material it receives, sorts through the materials, recycles what is able to be recycled and the rest is placed in a landfill. A waste-to-energy facility takes all of the materials it receives, sorts through the materials, recycles what it is able to be recycled, incinerates what is not able to be recycled (a process that generates energy) and then places any materials that are not able to be recycled or incinerated in a landfill. Materials placed in a landfill are subject to the tipping fee.

The standard of a 30 percent exemption of “total tonnage received,” is the precise exemption from tipping fees provided to material recovery facilities throughout the state. WCA is simply asking for that same standard to be provided to the two-county owned waste-to-energy facilities.

WCA respectfully requests that the Committee support AB 713.

Please feel free to contact WCA if you need additional information.