

Tempe Grease Cooperative

today's restaurants, tomorrow's energy

***COMPLIANCE COOPERATIVES: A NEW MODEL FOR
REGULATORY PARTNERSHIPS***

www.tempe.gov/grease

WESTCAS
October 26, 2016
Phoenix, AZ

Tempe Grease Cooperative

today's restaurants, tomorrow's energy

WESTCAS GOAL #1

Advocate laws, regulations, standards and policies that provide for environmentally sound, science-based protection and wise use of water resources in unique Arid West ecosystems.

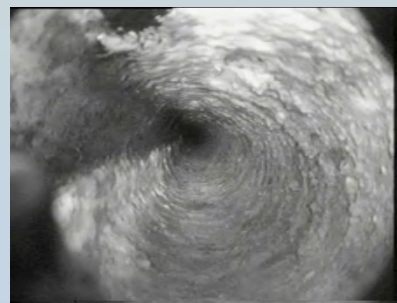


Tempe Grease Cooperative

today's restaurants, tomorrow's energy

THE PROBLEM WITH *FATS, OILS, AND GREASE* (FOG)

- Clogs, corrodes and destroys sanitary sewer systems
- Increases sewer operational costs
- Sanitary/combined sewer overflows
- Treatment plant loading



Tempe Grease Cooperative

today's restaurants, tomorrow's energy

THE PROBLEM

(2004 EPA Report to Congress)

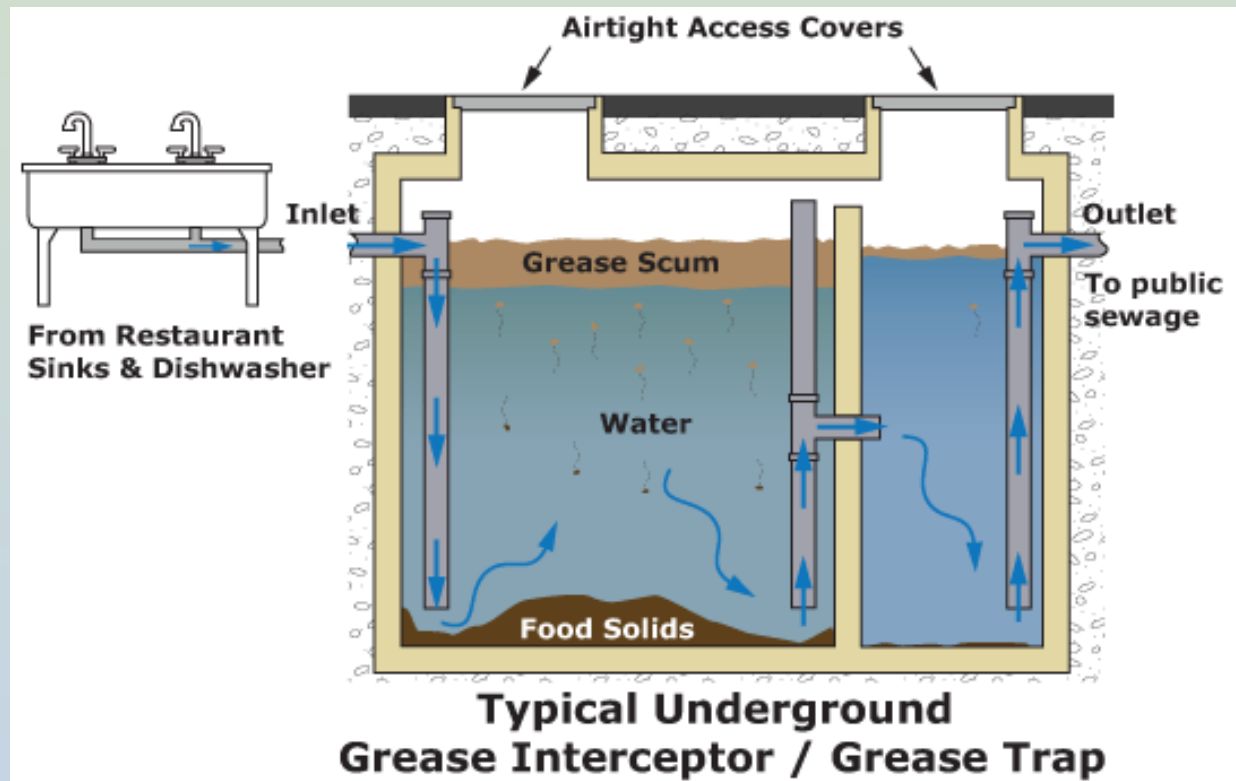
- Up to 75,000 sanitary sewer overflows (SSOs)/an
- Between 3-10 billion gals of sewage
- 6% of beach closures from SSOs
- \approx 5,600 illnesses/an
- Est. \$4 billion / an spent on SSO control
- 48% of SSOs caused by sewer blockages
- 51% of blockages caused by grease
- Uncollected grease entering sewer systems \approx 800 – 1,700 lbs/an/food service establishment (FSE)



Tempe Grease Cooperative

today's restaurants, tomorrow's energy

SOLUTION: GREASE TRAPS/INTERCEPTORS



CLEANING & DISPOSAL

INFRASTRUCTURE

Tempe Grease Cooperative

today's restaurants, tomorrow's energy

SOLUTION: ***PROPER*** CLEANING AND DISPOSAL

- Frequency
- Procedures
- Removal/disposal

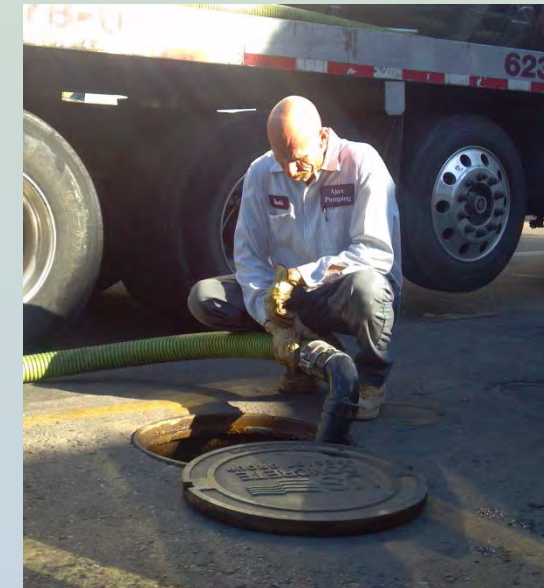
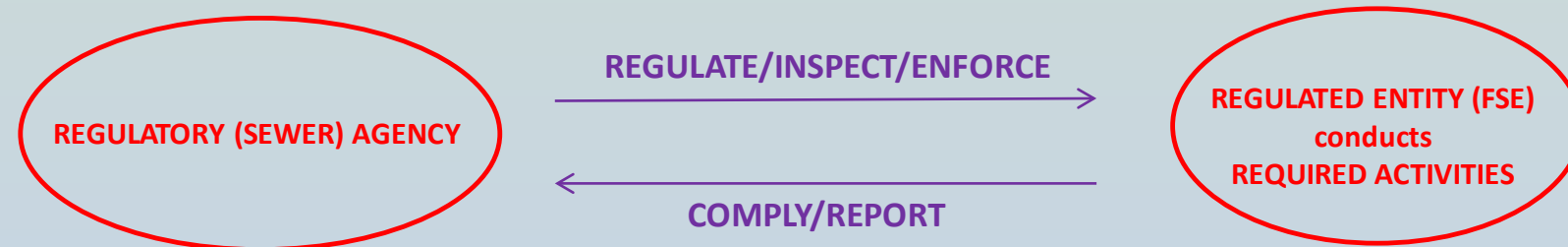


Tempe Grease Cooperative

today's restaurants, tomorrow's energy

(UTILITY) INDUSTRY SOLUTION: (LINEAR) REGULATION

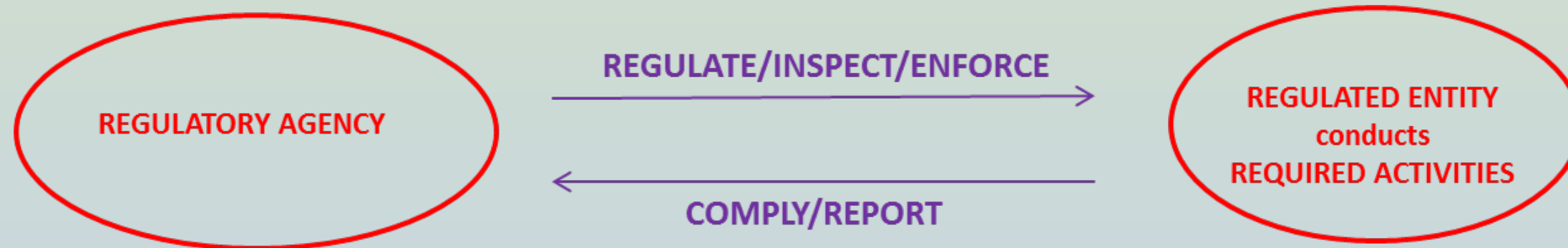
- For Food Service establishments (FSEs):
 - Frequency requirements
 - Cleaning procedures



Tempe Grease Cooperative

today's restaurants, tomorrow's energy

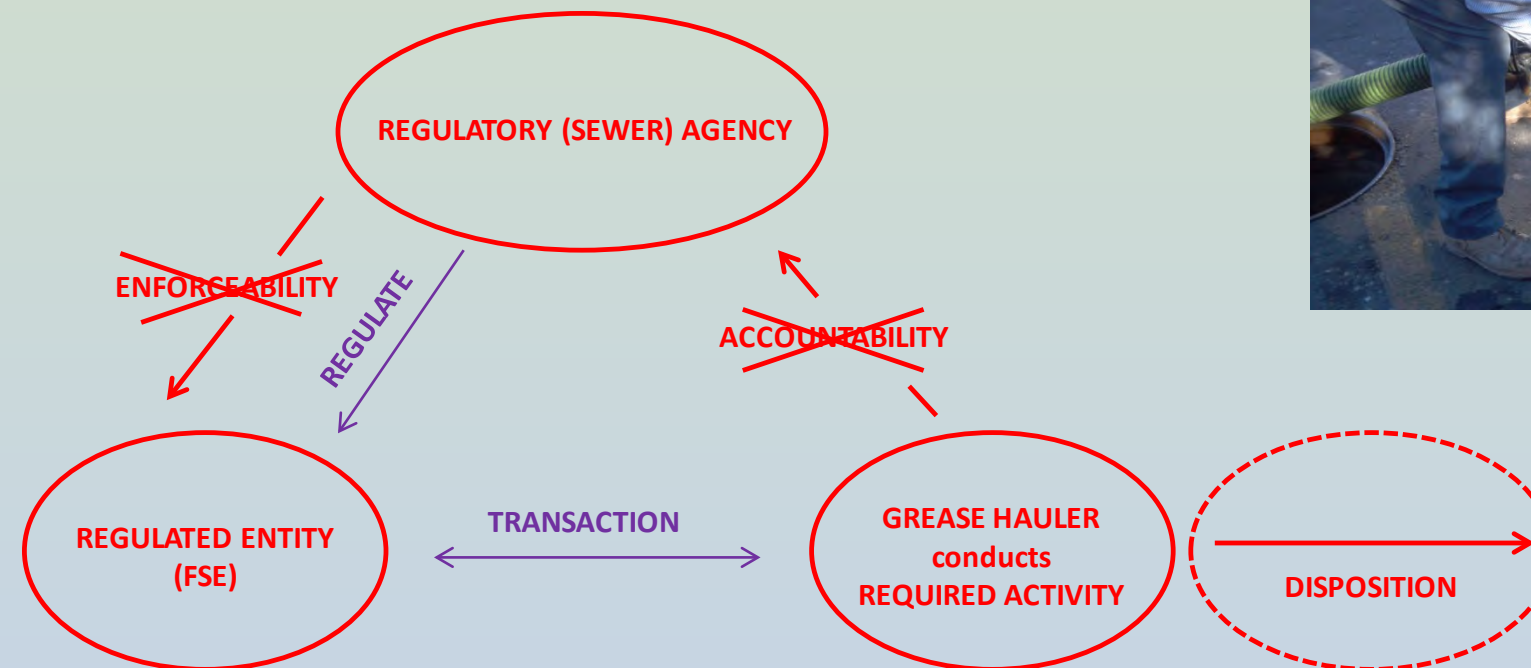
LINEAR REGULATION



Tempe Grease Cooperative

today's restaurants, tomorrow's energy

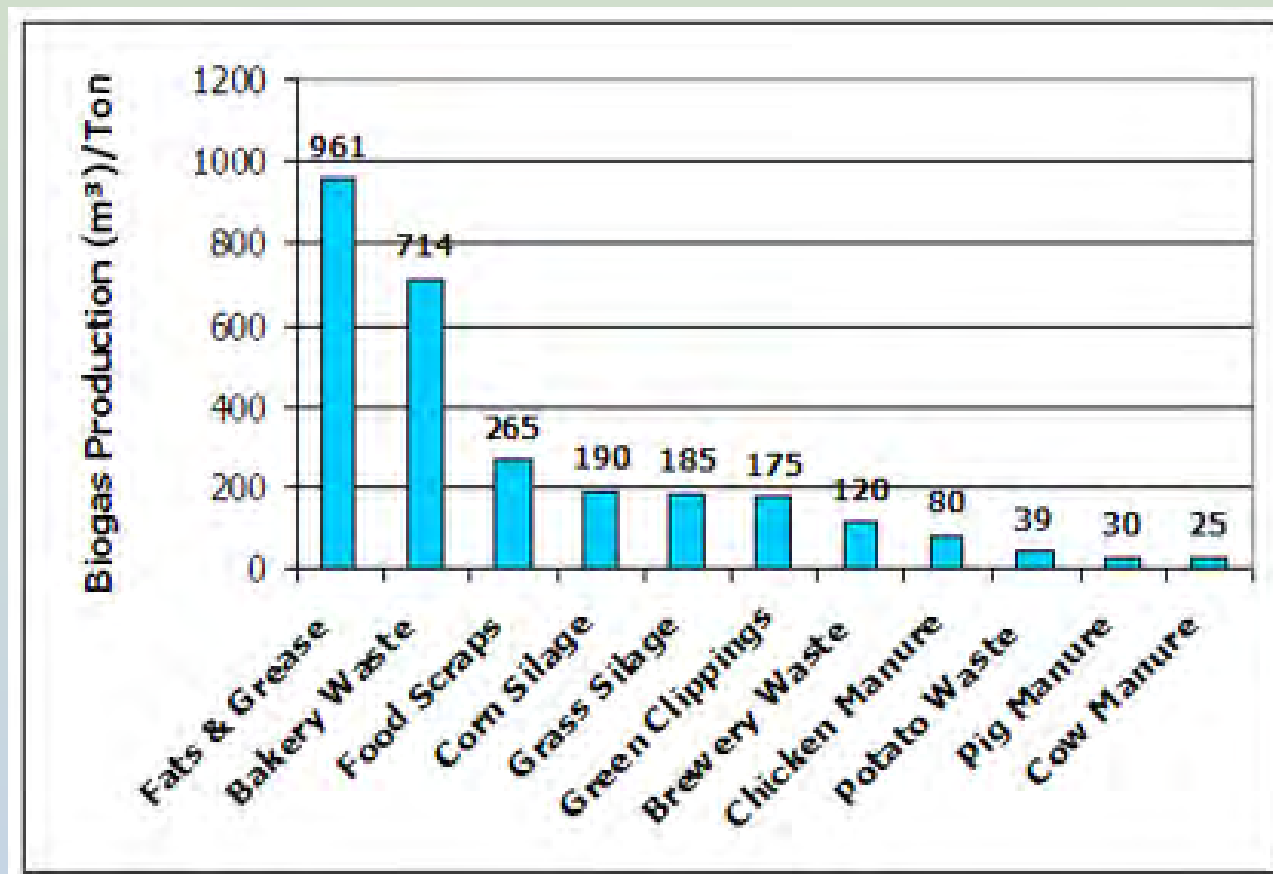
THE PROBLEM WITH LINEAR REGULATION FOR FOG



Tempe Grease Cooperative

today's restaurants, tomorrow's energy

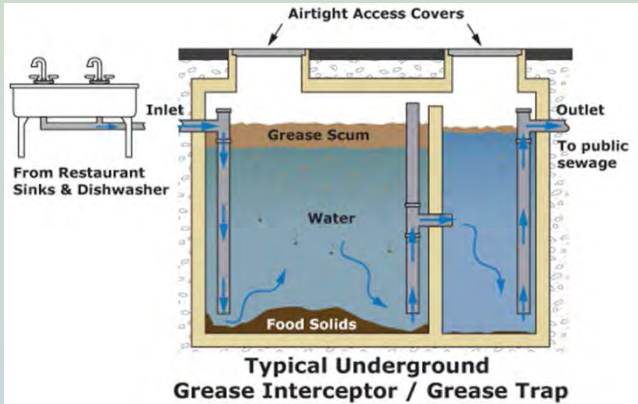
FOG DISPOSITION: DISPOSAL v. RESOURCE RECOVERY



Tempe Grease Cooperative

today's restaurants, tomorrow's energy

CODIGESTION CHALLENGES



????????????????



UNCONTROLLED FEEDSTOCK / QUALITY
EXTENSIVE PRETREATMENT
DELIVERY UNCERTAINTY / STAFFING
COMMERCIAL WASTE FACILITY
FOAMING / BIOLOGICAL UPSETS
MARKET FLUCTUATIONS

POTW REGULATES

FSE/HAULER TRANSACTION

REGULATION ENDS

WASTE DISPOSAL
TRANSACTION

Tempe Grease Cooperative

today's restaurants, tomorrow's energy

CONCLUSIONS ABOUT TRADITIONAL FOG REGULATION

- Regulatory burden / enforceability
- Accountability gap
- Uncontrolled disposition
 - waste
 - resource

= Compliance rates < 30% (EPA 2004)



Tempe Grease Cooperative

today's restaurants, tomorrow's energy

EPA/ADEQ PRETREATMENT PROGRAM AUDIT, MAY 2010

*“The restaurant grease interceptor was said to have been pumped the day before. The 3 ports revealed heavy grease in all 3 chambers with rancid odors. **The store manager advised that the pumping contractor had been doing a poor job of cleaning the interceptors.**”*

*Recommendation 1: “**Apply more resources to the FOG program, including more inspectors and a higher frequency of visits to commercial establishments.**”*

*Recommendation 2: “**Find a better way to hold pumping companies accountable for non-performance. Indirectly holding them accountable by pressuring pumping company customers is a start, but a more direct method should be considered.**”*

Tempe Grease Cooperative

today's restaurants, tomorrow's energy

RETAILERS' COOPERATIVE

A group of independently owned businesses that pool their resources to purchase in bulk, usually by establishing a central buying organization.

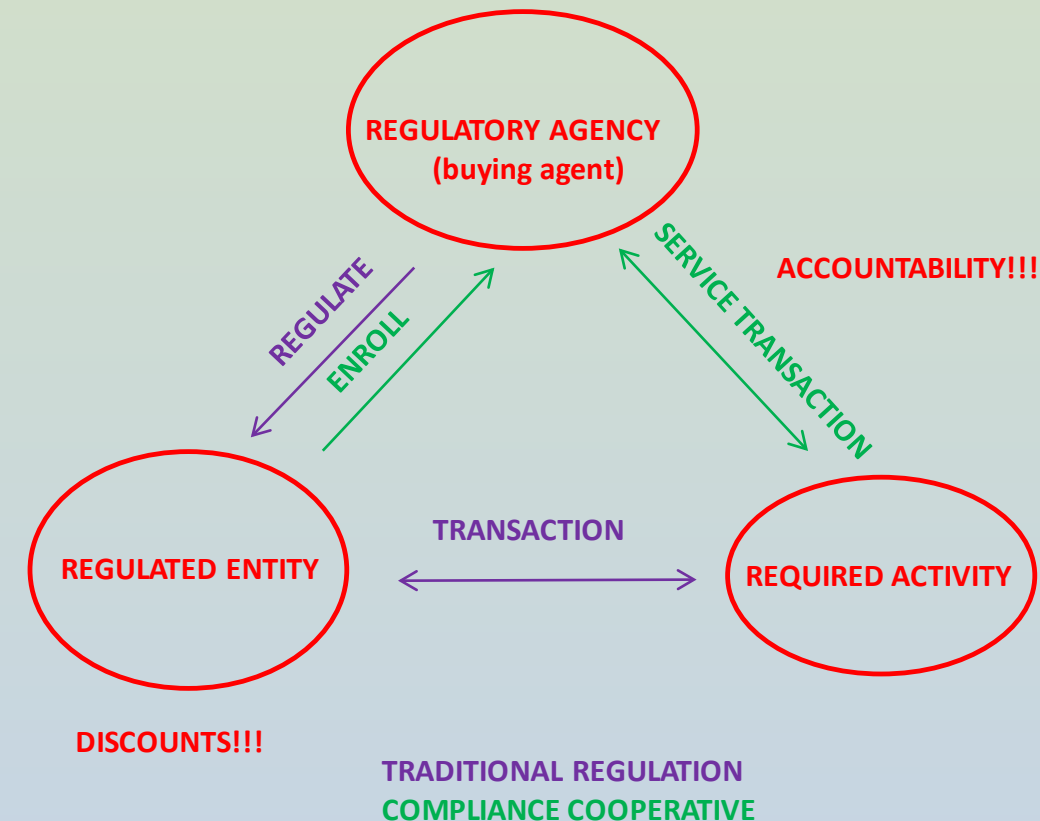


Tempe Grease Cooperative

today's restaurants, tomorrow's energy

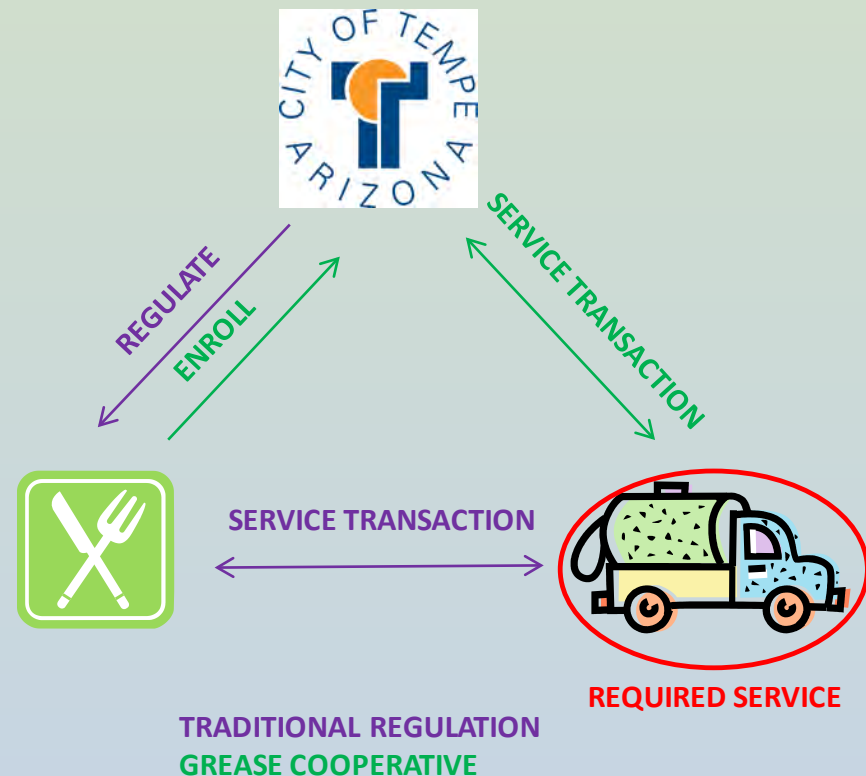
COMPLIANCE COOPERATIVE

A program in which a regulatory agency brokers both pricing and quality for the activities it requires on behalf of regulated entities who enroll in the program as an alternative to being held responsible for the business practices of their hired vendors.



Tempe Grease Cooperative

today's restaurants, tomorrow's energy



TEMPE GREASE COOPERATIVE

The first program in the world in which a regulatory sewer authority brokers both pricing and service quality on behalf of member restaurants that voluntarily enroll in the program as an alternative to being held responsible for the FOG cleaning and maintenance practices of their hired vendors

Tempe Grease Cooperative

today's restaurants, tomorrow's energy

REGULATOR BENEFITS

- Enforceability
 - vendors v. cleanings
- Accountability
 - transaction v. regulation
- Disposition
 - waste
 - resource
- Trust and partnership



Tempe Grease Cooperative

today's restaurants, tomorrow's energy

MEMBER BENEFITS

- Discounts
- Service / quality assurance
- Compliance assurance
- Regulatory flexibility (frequency)
- Dividends
- Finder's credits
- Fryer grease offsets
- Infrastructure assessments
- Green marketing
- Trust / partnership



Tempe Grease Cooperative

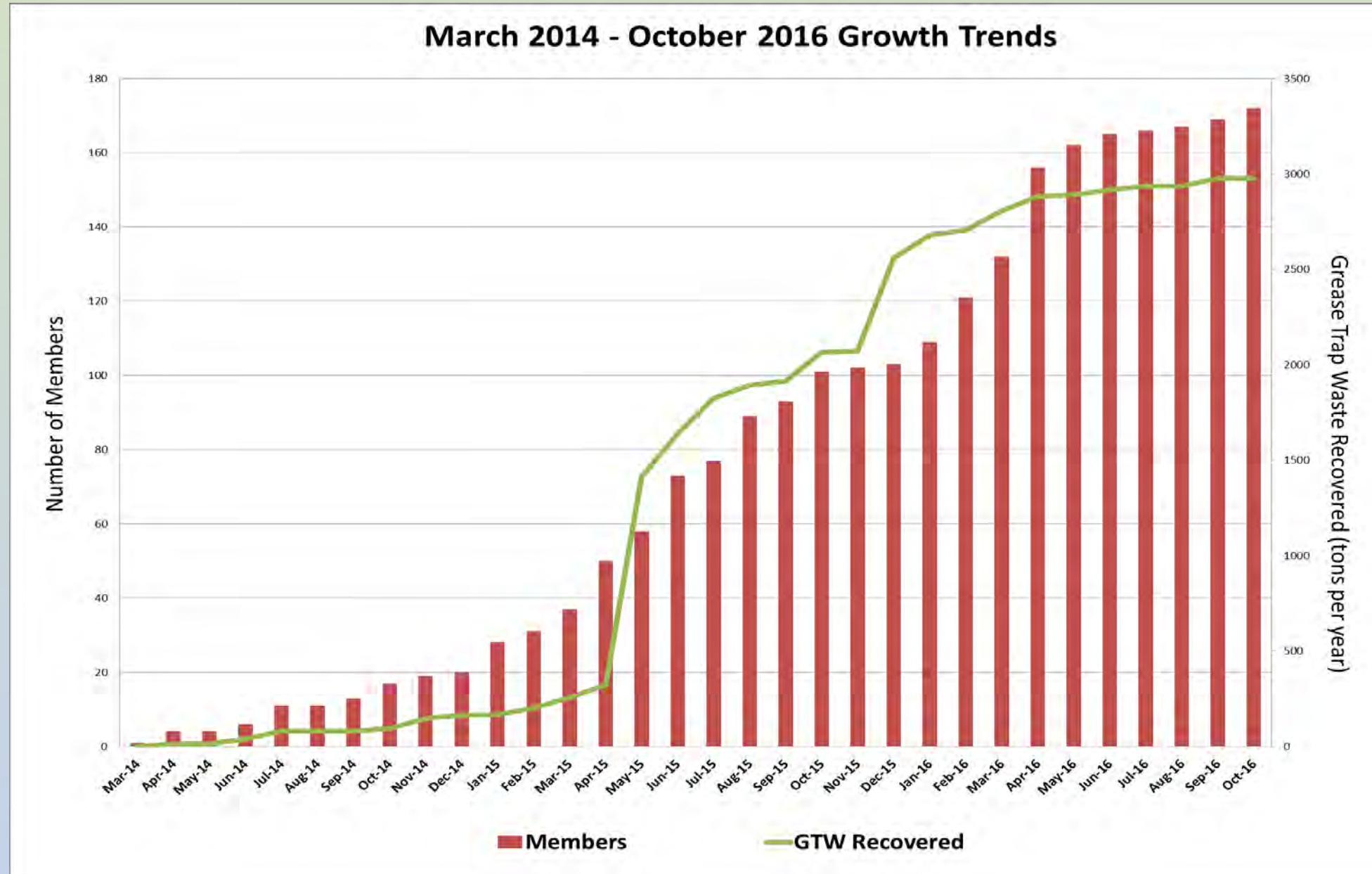
today's restaurants, tomorrow's energy

2011 - 2014

- Stakeholder process
- Council approval for downtown pilot program
- Ordinance modifications
- Rules and procedures / terms of enrollment
- Vendor procurement
- Marketing and enrollment strategy
- March 2014 roll out



Tempe Grease Cooperative



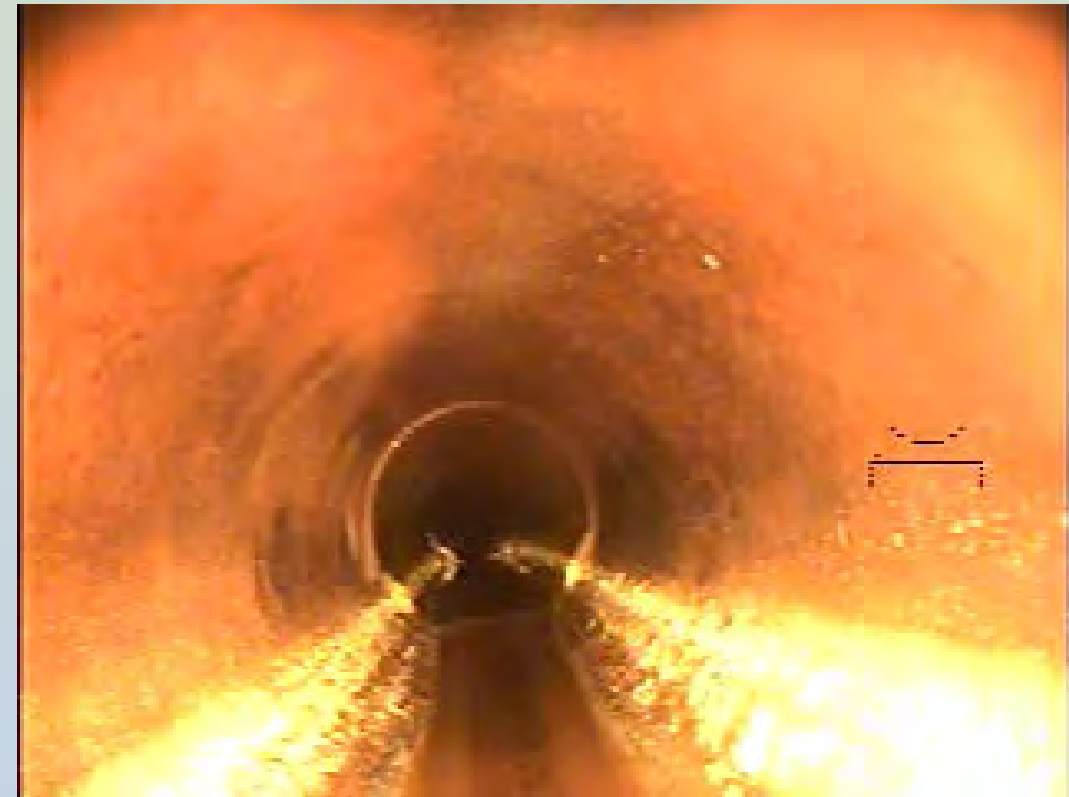
Tempe Grease Cooperative

today's restaurants, tomorrow's energy

OPPORTUNITIES MOVING FORWARD

5-Year Strategic Plan

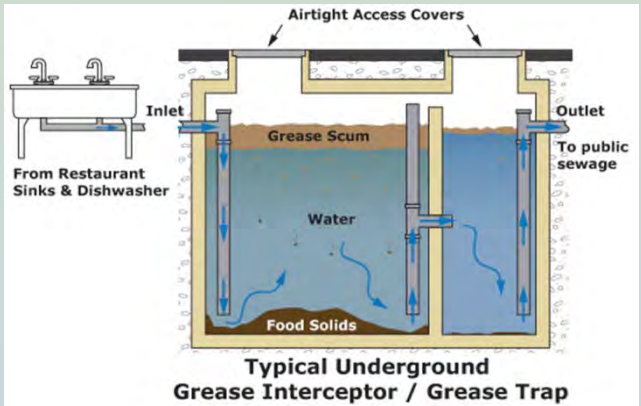
- Administrative Improvements
- Procurement Strategy
- Energy/Codigestion Hurdles
- Regional Partners and Administration
 - Coop
 - Codigestion



Tempe Grease Cooperative

today's restaurants, tomorrow's energy

COOPS AND CODIGESTION



????????????????

POTW REGULATES

FSE/HAULER TRANSACTION

POTW / HAULER TRANSACTION

REGULATION ENDS

WASTE DISPOSAL
TRANSACTION

UNCONTROLLED FEEDSTOCK / QUALITY
EXTENSIVE PRETREATMENT
DELIVERY UNCERTAINTY / STAFFING
COMMERCIAL WASTE FACILITY
FOAMING / BIOLOGICAL UPSETS
MARKET FLUCTUATIONS

Tempe Grease Cooperative

today's restaurants, tomorrow's energy

WESTCAS TAKEAWAYS



- ~~Regul~~ **Innov**ator
- Regulator as Business Advocate
- Arid West Applications(?)
 - Premise Water Quality Issues
 - Water Conservation / Greywater
 - Organics Diversion (Cal AB1826)
 - Other?

Tempe Grease Cooperative

today's restaurants, tomorrow's energy



ENVIRONMENTAL EXCELLENCE
LIVABLE COMMUNITIES
2014

GOVERNOR'S AWARD FOR
ARIZONA'S FUTURE
2016



ARIZONA DEPARTMENT OF
ENVIRONMENTAL QUALITY
2015, 2016



J. ROBERT HAVLICK AWARD
OUTSTANDING ACHIEVEMENT IN
LOCAL GOVERNMENT INNOVATION
2016



Tempe Grease Cooperative

today's restaurants, tomorrow's energy

This is your sewer...



This is your sewer on partnership



Any Questions?

DAVID MCNEIL
ENVIRONMENTAL SERVICES MANAGER
DAVID_MCNEIL@TEMPE.GOV
(480) 350-2844