



MEMORANDUM

Date: September 29, 2017

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator 

Re: **Biogas Energy Reuse**

As you will recall, the County issued a Request for Proposals (RFP) for the beneficial reuse of biogas generated as part of the wastewater treatment process.

An RFP process was completed; however, after some time the top firm withdrew from consideration. Discussions were started but protracted with the second ranked firm. No progress was being made, and I indicated to the Regional Wastewater Reclamation Department Director that negotiations should be terminated. Meanwhile, the County will pursue construction of an appropriate biogas cleaning facility that will make the energy from the wastewater treatment process into a commercial grade methane gas.

The market for renewable biogas has dramatically increased, making it highly likely that any investment in capital facilities by the County will be repaid from revenues generated through the sale of the biogas and related RINs.¹ To tap into this market and productively use the biogas, the County is actively pursuing, through design and contracting procurement, the construction of biogas capital facilities. The estimated cost of the facility is between \$7 million and \$8 million.

The County has also entered into active discussions with Southwest Gas as a potential partner for the purchase or wheeling of the biogas and other partnering opportunities such as operation and maintenance of a facility and marketing activities related to the sale of the biogas. The exact responsibility of all parties will be developed in further discussions with Southwest Gas.

It is important to understand the biogas, generated as part of our wastewater treatment process, is sufficient to provide natural gas energy for more than 5,000 homes.

c: Carmine DeBonis, Jr., Deputy County Administrator for Public Works
Nanette Slusser, Assistant County Administrator for Public Works
Jackson Jenkins, Director, Regional Wastewater Reclamation

¹ RIN is the acronym for "Renewable identification Number." RINs are created by producing a renewable fuel. They are tracked through a U.S. EPA registry and traded to non-renewable energy producers/traders.