



DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY

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May 23, 2012

Alisdair McLean
VP, Strategic Initiatives
Plasco Energy Group
1000 Innovation Drive, Suite 400
Ottawa, Ontario, K2K 3E7

Re: Proposed Salinas Valley Project

Dear Mr. McLean:

In November 2010, CalRecycle sent you a letter regarding the "Regulatory Status of Proposed Salinas Valley Project." I have reviewed your initial request and project description, the November 2010 letter, and the relevant statutes and regulations. Based upon this review and my understanding of the Legislature's intent, I have determined that the conclusion that the proposed Salinas Valley project would be considered a gasification facility is not supported by the statutory definition of "gasification" in Public Resources Code §40117. In addition to relying on language not found in the statute (e.g. the language regarding air or water discharges "in excess of standards") the November 2010 letter also makes premature conclusions regarding a number of other requirements in the definition of gasification.

Thus, based upon the description of the proposed Salinas Valley project we have seen so far, we cannot conclude that the project would meet the statutory definition of a gasification facility. However, as the development of the facility continues and more information becomes available it will be more apparent where your facility will fall within CalRecycle's permitting system. This information is needed to ensure that the solid waste facility permit is commensurate with the operations of the facility.

The November 2010 letter was written in response to your request for guidance regarding the statutory definition of "gasification" in Public Resources Code §40117. As noted in the letter, it was not an approval itself, nor did it bind or restrict our review of any solid waste facility permit application that might be submitted to the Department. I look forward to working with you as your project moves forward. Please feel free to contact me or my staff if you have any questions, or need any additional information.

Sincerely,

A handwritten signature in cursive script that reads "Carol Mortensen".

Carol Mortensen
Director

