TEMPE GREASE COOPERATIVE (TGC): A NEW PARADIGM FOR THE F.O.G. FRONTIER

SUSTAINABLE CITIES NETWORK
WATER RESOURCES WORKGROUP
MARCH 29, 2012
FOG CHALLENGES

- Infrastructure
- Nuisance/Aesthetic
- Loading
TEMPE FOG MANAGEMENT

- INCREASING REGULATORY PRESSURE
  - ADEQ/EPA

- FOG TO ENERGY FEASIBILITY STUDY RECOMMENDATIONS
  - DOE Funded (EECBG)
  - Phase I: Collection
TEMPE FATS, OILS, AND GREASE MANAGEMENT

CURRENT MODEL

PROBLEMS

- REGULATORY VOLUME (600+ RESTAURANTS, 4,000+ REGULATED "EVENTS")

- RESTAURANTS REGULATED FOR QUALITY OF VENDOR SERVICE

- DISPOSITION (ILLEGAL DISPOSAL)
TEMPE FATS, OILS, AND GREASE MANAGEMENT

**SERVICES**

**VENDOR CONTRACT MODEL**

**CREATE OPPORTUNITIES**

- “FUEL” FOR ENERGY

**SOLVES PROBLEMS**

- CONTRACT MGMT v. REGULATORY ENFORCEMENT
- ACCOUNTABILITY/SERVICE QUALITY

**FOR RESTAURANTS**

- WHOLESALE RATES
- “IT JUST HAPPENS”
- “86” REGULATORY LIABILITY
DOWNTOWN TEMPE PILOT PROJECT PROPOSAL
(Council Approval November 17, 2011)
DOWNTOWN TEMPE PILOT PROJECT PROPOSAL
AGE-OLD QUESTION

Or?

- LEVEL PLAYING FIELD
- DISCOUNT INCENTIVE CERTAINTY
- POLITICAL SUPPORT
- INHERENTLY “WIN-WIN” (I.E., PROGRAM SELLS ITSELF)
- INCENTIVE OPPORTUNITIES
- PARTNERSHIP VALUE
TEMPE GREASE COOPERATIVE
STRUCTURE, TERMS, AND MEMBER VALUE
(Administrative)

- RETAIL COOPERATIVE
- CITY ADMINISTRATION: “IT JUST HAPPENS”
- “UTILITY-TYPE” BILLING
- USER-FRIENDLY AND DISCRETIONARY ENROLLMENT
- ELECTED ADVISORY COMMITTEE
TEMPE GREASE COOPERATIVE
STRUCTURE, TERMS, AND MEMBER VALUE
(Service Quality / Aesthetics)

- QUALITY ASSURANCE
- ADVOCACY
- ODORS / PLUMBING BACKUPS
- NO-COST INFRASTRUCTURE ASSESSMENTS: “GREASE SQUAD”
- SERVICE AND SITE CLEANLINESS
TEMPE GREASE COOPERATIVE
STRUCTURE, TERMS, AND MEMBER VALUE
(Financial)

- SCALE SAVINGS
- COST-OF-COMPLIANCE REBATES
- "GREASE DIVIDENDS"
- FINDER’S FEES
- INFRASTRUCTURE ASSISTANCE
- COMPLIANCE ASSURANCE
TEMPE GREASE COOPERATIVE
STRUCTURE, TERMS, AND MEMBER VALUE
(Community / Environmental Sustainability)

- SUSTAINABLE INFRASTRUCTURE
- DISPOSITION
- RENEWABLE ENERGY
- COMMUNITY PARTNERSHIPS
- “THE RIGHT THING”
TEMPE GREASE COOPERATIVE
DEVELOPMENT AND IMPLEMENTATION

- RFP / CONTRACTS
- ORDINANCE / RULE / POLICY MODIFICATIONS
- SAMPLING
- VISUAL (TV) INFRASTRUCTURE ASSESSMENTS
- MARKETING / ENROLLMENT
- BILLING
- INFRASTRUCTURE GRANTS

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TEMPE GREASE COOPERATIVE
ACTION TEAM #1: RFP / CONTRACTS

- Multiple Awards
- City is Customer
- Quality Criteria (Service and Disposition)
- Manifests and GPS Tracking
- Scale Pricing and Yellow Grease Offsets
- Established Schedules
- Status
NEEDS INVENTORY
- CONTRACT AUTHORITY
- TGC ENROLLMENT OPPORTUNITY
- TGC TERMS OF ENROLLMENT
- GRANTS PROGRAM
- REQUIREMENTS ACCESSIBILITY / ENFORCEABILITY (SB1598)
TEMPE GREASE COOPERATIVE
ACTION TEAM #2: ORDINANCE / RULES AND PROCEDURES

- ORDINANCE
  - RULES-AND-PROCEDURES-BY RESOLUTION AUTHORITY
  - AUTHORITY TO ESTABLISH CONTRACTS TO PROVIDE CLEANING/MAINTENANCE SERVICES ON BEHALF OF FSEs
  - AUTHORITY FOR PROGRAMS “TO PROMOTE COMPLIANCE”

- RULES AND PROCEDURES
  - MAINTENANCE AND CLEANING CRITERIA
  - TGC TERMS OF ENROLLMENT
  - INFRASTRUCTURE GRANTS PROGRAM

- STATUS
TEMPE GREASE COOPERATIVE
ACTION TEAM #3: SAMPLING

- BASELINE LOADING
  - FOR DIVIDEND CALCULATION

Avg. Daily Loading, Downtown, 12/11 – 1/12

TEMPE GREASE COOPERATIVE
ACTION TEAM #4: VISUAL ASSESSMENTS

- BASELINE TV/CLEAN
- PRE-PROGRAM TV/CLEAN
- POST-PROGRAM ASSESSMENT
TEMPE GREASE COOPERATIVE
ACTION TEAM #5: Marketing & Enrollment

- STAKEHOLDER INVOLVEMENT
- TERMS OF ENROLLMENT
- MARKET RESEARCH
- PRESS RELEASE (2/7)
- WEBSITE (2/7)
- MAILER / SURVEY (3/16)
- 1-ON-1 FOLLOW-UP
Municipal Services Statement

City of Tempe
PO Box 29817
Phoenix, AZ 85286-9617

Account Number: 7568300000
Due Date: 11/30/2011

Customer Inquiries: 480-255-8301
TDD: 480-255-8400
Website: www.tempe.gov/waterrates

Account Summary as of: November 1, 2011

- Previous Balance: $94.74
- Payments Received: $94.74
- Balance Forward: $0.00
- Current Charges: $51.25
- Total Amount Due: $91.99
- Deduct Other Voluntary Donation: $7.93
- Total with Voluntary Donation: $84.06

Service Address: 7 W LiveWork Play Dr, Tempe, AZ 85283

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Water: Single-Family Residential

Usage Analysis

- Monthly Service Charge: $10.24
- Consumption Charge: $29.84
- State Water Quality Assurance Fee: $0.10
- City Tax 2%: $0.80
- State Tax 1.5%: $2.83
- Subtotal: $43.91

RETURN THIS PORTION WITH PAYMENT
Please make checks payable to City of Tempe

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VALUED CUSTOMER
7 W LiveWork Play Dr
Tempe AZ 85283-3322

Send Payments to:
City of Tempe
PO Box 29817
Phoenix, AZ 85038-9617

7568300000
TEMPE GREASE COOPERATIVE
ACTION TEAM #7: FINANCIAL ASSISTANCE

- INITIAL INFRASTRUCTURE ASSESSMENTS
- FUNDED FROM PRETREATMENT REVENUE
- DEMONSTRATED VALUE AND PAYBACK FROM DIVIDENDS AND ENERGY REVENUE
- POSSIBLE LEASE-TO-OWN PROGRAM
TEMPE GREASE COOPERATIVE
(Downtown and Beyond)

- BETTER FOG MANAGEMENT (SUSTAINABLE INFRASTRUCTURE)
- LOWER OPERATING/COMPLIANCE COSTS (FISCAL SUSTAINABILITY)
- RENEWABLE ENERGY (SUSTAINABLE ENVIRONMENT)

(TRIPLE) BOTTOM LINE
TEMPE GREASE COOPERATIVE

DAVID McNEIL
ENVIRONMENTAL SERVICES MANAGER
CITY OF TEMPE

480-350-2844
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grease@tempe.gov
www.tempe.gov/water/grease