

AMENDED LEASE AND ENERGY SERVICES AGREEMENT RIVERSIDE BIOENERGY FACILITY PUBLIC PRIVATE PARTNERSHIP

Public Works

City Council
December 9, 2025

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PUBLIC-PRIVATE PARTNERSHIP (P3)

Public-Private Partnership Would:



Develop a **locally-controlled** facility for organic waste diversion and treatment

Position the City to capitalize on regional need and demand



Expand **resource recovery** and renewable generation

Long-term solutions for City SB 1383 compliance and RWQCP biosolids management



Capitalize on private expertise and **revenue share**

Leverage idle RWQCP infrastructure for **rate-payer benefit** and private investment



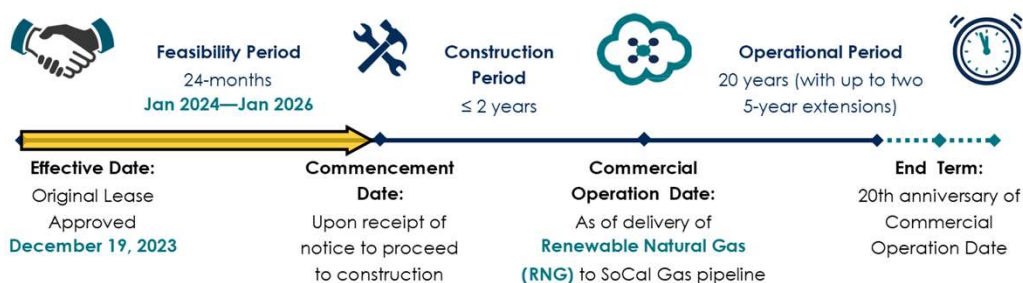
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PROJECT BACKGROUND & TIMELINE

- **Project:** Public Private Partnership for the Anaerobic digestion of food waste at RWQCP
- **Products:** **Biogas (RNG)** and **digestate**
- **Outcomes:** **Divert organic wastes** from landfills and create **new revenue streams**



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PROJECT SCOPE AND INFRASTRUCTURE

City of Riverside Landfill
-Diverted Organics



RWQCP Biosolids



Pipeline Renewable
Natural Gas



Soil Amendment



City of Riverside

- Base Rents and Host Fees
- Sales Agreement Revenue
- Capital Improvements



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PROJECT SCOPE AND INFRASTRUCTURE

- **City-funded:** Digester No. 5 rehab (\$10.5M)
- **Tenant-funded:** Phase I Biogas upgrading facility (\$40M)
- **Grant-funded:** Feedstock reception station (\$9.8M)
- **Capacity:** 250 (Phase I) to 500 (Phase II) tons/day
- RNG pipeline connection to SoCalGas



New Digester 5 Dome Placement

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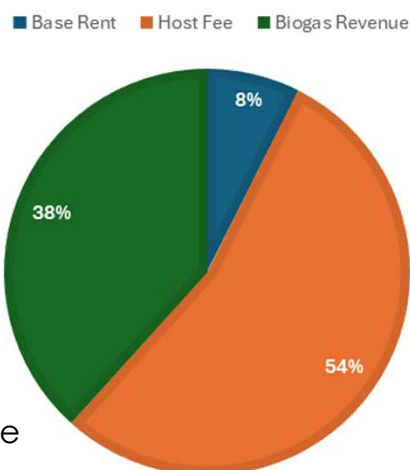
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REVENUE STREAMS TO CITY

Projected Annual Revenue

- \$1.5M/year at 250 TPD
- \$3M/year at 500 TPD

- **Base Rent:**
 - \$1,000/month (construction)
 - \$10,000/month (operations)
- **Host Fee:** Based on ADM tonnage
- **Biogas Royalty:** 15% of net RNG revenue



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ENVIRONMENTAL AND STRATEGIC BENEFITS

- Diverts **182,500 tons/year** of organic waste from landfills
- Reduces methane emissions
- Supports:
 - **SB 1383** (organic waste diversion)
 - **AB 1826** (methane reduction)



Victor Valley Wastewater Reclamation Authority RNG Facility

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PROJECT TIMELINE

2026
Feedstock Reception & Treatment
Improvements

Biogas Upgrading System

Interconnection to SoCal Gas

Summer 2027
Delivery of RNG

- **Agua Mansa Organic Separator**
 - Expected operational date: **Q1 2026**
- **Digester No. 5 Improvements**
 - Scheduled to be operational: **Q1 2026**
- **Feedstock Reception Improvement Project**
 - Anticipated operational date: **End of Q1 2026**
- **Biogas Upgrading System**
 - Construction initiated: **Q1 2026**
 - Operations expected: **Q3 2027**
- **Southern California Gas Interconnection**
 - Construction start: **Q4 2026**
 - Operational target: **Q3 2027**
- **Target Delivery of Renewable Natural Gas (RNG)**
 - Projected delivery to SoCalGas: **Summer 2027**

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RECOMMENDATIONS

That the City Council:

1. Approve the Amended and Restated Lease and Energy Services Agreement with Riverside Bioenergy Facility, LLC, a Delaware limited liability company, for the Riverside Bioenergy Facility at the RWQCP, for a term ending twenty (20) years from the Commercial Operation Date as defined in the Amended Lease, with options for two additional five-year extensions, concluding the Feasibility Period;
2. Authorize the City Manager, or designee, to execute the Amended and Restated Lease and Energy Services Agreement and including making minor and non-substantive changes, subject to the availability of budgeted funds;
3. Authorize the City Manager, or designee, to execute any necessary amendments or extensions consistent with the terms of the Amended Lease, including exercising the extension options for up to two additional five-year terms.



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