

California Regulator Conditionally Approves First RNG Contract Under State Biomethane Procurement Programme

March 23, 2026

The California Public Utilities Commission (CPUC) has conditionally approved a long-term biomethane procurement contract between Anaergia's SoCal Biomethane facility, Anew Climate LLC, and Southwest Gas — making it the first project to supply renewable natural gas (RNG) under California's Senate Bill 1440 Biomethane Procurement Programme.

The SoCal Biomethane facility is located at the Victor Valley Wastewater Reclamation Authority (VWVRA) in Victorville and co-digests organic waste and municipal wastewater to produce biogas, which is upgraded to RNG and injected into the gas pipeline. The facility can accept up to 104,000 tonnes of diverted organic waste annually and has the potential to reduce emissions by up to 31,710 tonnes of CO₂ equivalent per year.

California's SB 1383 targeted a significant reduction in organic waste sent to landfill, while SB 1440 requires the state's investor-owned utilities to procure RNG derived from landfill-diverted organic waste at a scale equivalent to approximately 55 facilities the size of SoCal Biomethane by 2035.

Assaf Onn, chief executive of Anaergia, said the milestone demonstrated "how existing wastewater infrastructure can be leveraged to rapidly scale RNG supply from organic waste."

Ryan Childress, managing director of low carbon fuels at Anew Climate, described the approval as "a meaningful step toward scaling renewable, baseload energy," adding that long-term offtake agreements from gas utilities supported state climate goals.

Darron Poulsen, general manager of VWVRA, said wastewater facilities were "uniquely positioned to turn organic waste into clean, renewable energy," and called SB 1440 "a critical framework that accelerates the development of projects that reduce methane emissions, support grid reliability, and strengthen local communities."