

Oregon Program Plan

(2025 – 2027)



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Executive Summary

Oregon's Plastic Pollution and Recycling Modernization Act (RMA) creates important changes in how materials management is undertaken and funded within the state. The legislation strives to improve the overall effectiveness of Oregon's recycling collection and processing ecosystem through a shared responsibility model.

A key element of this new framework is the role of a producer responsibility organization (PRO), the entity through which producers of covered materials will fund recycling services, support innovation and manage collection of certain materials through a depot system.

Circular Action Alliance Oregon LLC (CAA) is submitting a detailed approach to managing and administering an extended producer responsibility (EPR) program to fulfill key obligations of the RMA. Our team includes a wide range of recycling industry and policy experts with extensive knowledge in program plan development, implementation, operations, education and outreach, and local government structure. CAA has engaged with the broader interest holder community in Oregon and referenced a wide range of applicable studies to formulate strategies and cost estimates tailored to Oregon's unique and dynamic materials recovery landscape.

CAA has taken the Oregon Department of Environmental Quality (DEQ)'s Internal Management Directive (IMD) on the RMA PRO Program Plans as a basis for the structure of this submission. Some adaptations have been made to the proposed IMD outline to improve narrative flow.

The table of contents, charts, and subheadings in the document will help readers effectively navigate all the plan's content, and brief overviews of core sections are provided below.

Goals of the Program

CAA's overarching objective is to support the successful implementation of the RMA in collaboration with DEQ and all other key interest holders. Through the implementation of this program plan, CAA intends to achieve four overarching goals:

1. Reduce the negative environmental, social, and health impacts from the production and end-of-life management of printed paper, food serviceware and packaging as measured in the Life Cycle Evaluation (LCE) assessment.
2. Increase the diversion of recyclable materials from disposal.
3. Improve public participation, understanding and equity in the state's recycling system.
4. Create a system that fulfills the needs and regulatory requirements of the PRO, its members, and all other relevant interested parties.

These goals are defined in further detail in the Goals of the Program section, along with key objectives, metrics and measures to help chart progress and determine success.

Operations Plan

The operations plan segment delves into the specific steps and strategies that CAA will employ to meet RMA requirements and help catalyze a range of recycling system expansions and improvements that can lead to a stronger, more efficient framework of materials management. This includes detailed plans and recommendations for:

- *Collection and Recycling of USCL Materials* – A plan for the collection, transport, and recycling of all covered materials on the RMA's Uniform Statewide Collection List (USCL) and a framework for deploying funding to support these activities. Highlights include:
 - The Oregon Recycling System Optimization Project (ORSOP), an important project that offered a more complete picture of system needs, opportunities for efficiency, and more. This initiative has provided, and will continue to provide, additional data and details required to more precisely estimate and schedule the distribution of funding for system improvements and ongoing financial support;
 - Key tasks to support the distribution of funding and reimbursements to eligible parties that must be completed in advance of July 1, 2025 (the RMA implementation date), in addition to the ORSOP;
 - A plan for initiating discussions with local governments for service expansion compensation to be distributed over the course of the program plan period (with a single accounting point-of-contact system) to local governments for service expansion;
 - Setting up a single accounting point-of-contact system (also referred to as an online portal) for:
 - Compensation of local governments for expenses besides service expansion;
 - Payment of contamination management fees and processor commodity risk fees to commingled recycling processing facilities;
 - Payment of transportation reimbursement;
 - Compensating depot operation costs and payment to cover the premium for roll carts that contain 10% post-consumer recycled content, when a premium exists,
- *The PRO Recycling Acceptance List* – This section outlines activities, timelines, and recommendations for increasing diversion of materials named on the PRO Recycling Acceptance List, including proposed approaches to meeting service convenience and performance standards and proposed collection targets for each material category. Highlights include:
 - A list of 118 confirmed sites, many of them permitted, that will serve as the initial PRO Recycling Acceptance List collection sites, with an additional 40 interested locations that CAA will continue to engage with as the network expands into the future. These sites form the

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foundation of the network CAA needs to build in Oregon with other interested parties outlined later in this plan;

- Key activities to ensure CAA meets the convenience standard within the first program plan period;
- A description of additional analysis of needs and further design of the PRO depot system to be performed by CAA in consultation with DEQ, potential partner depots, local governments, and service providers;
- The proposed approach for finalizing contracts with local governments, service providers, and end markets and launching reporting and accounting systems while onboarding key interest holders.

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→ *Materials Management* – Key materials management considerations including strategies for Specifically Identified Materials (SIMs) and engagement with and verification of responsible end markets (REMs). Highlights include:

- A proposal to expand the USCL to include transparent blue and green PET bottles, as well as signaling of CAA's intent to submit proposals to expand the USCL to include PET thermoforms; PP and PE caps, lids and carriers; aluminum foil and empty, non-hazardous aerosol containers;
- A proposal to explore commingled, trial collection of polycoated paper packaging and single-use cups with the intent to better understand generator behaviors and other system barriers to the inclusion of these materials on the USCL;
- Insight into the program plan's anticipated impact on plastic recycling and an estimate of Oregon's current plastic recycling rate;
- A strategy to create a materials tracking system that supports REM verification for all system participants and proposed approach to supporting REM development;
- Key activities to support effective materials management and REMs that must be completed in advance of the July 1, 2025, RMA implementation date.

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→ *Education and Outreach* – A vision for delivering effective and harmonized education in a manner that incorporates feedback from, and supports, local government outreach and is responsive to diverse audiences across this state. Highlights include:

- Goals to ensure widespread recycling awareness through culturally responsive support and messaging that has been proven to effectively drive increased participation and capture of recyclables, deployed in a manner complementary to programmatic efforts to reduce contamination;
- Recommendation for a Spanish language outreach campaign developed independently of the English language campaign;
- Key activities to support the education and outreach plan that must be completed in advance of the July 1, 2025, RMA implementation date.

Financing Strategy

An essential role of the PRO is to develop a comprehensive methodology to estimate how much funding the system requires, as well as how much each obligated producer of covered materials is required to contribute to the statewide system. When implementing fair and effective producer fees, CAA considers factors such as material type, volume of product sold into state, environmental impact of materials and commodity revenues.

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The financing section of the program plan lays out the guiding principles CAA has developed and uses as the basis of the base fee-setting methodology. This section also describes how the fee outcomes from using this fee algorithm satisfy the RMA statutory requirements and fulfill the adequacy of financing requirement.

CAA introduces a graduated fee algorithm to provide producers with practical and measurable criteria upon which to qualify for fee incentives, using LCA rules and parameters.

Revised estimates of the program costs for years 2025, 2026 and 2027 are provided in Appendix E. This sum, to be covered by producer fees, accounts for management costs of materials, service expansion costs, PRO depot system development, as well as costs to develop and sustain viable responsible end markets and other contributions to advance program improvement initiatives.

CAA has updated the program cost estimates for this version of the program plan. The estimate of the program costs was reduced due to the results of ORSOP and the ability to meet convenience standards through the course of the first program plan period.

Equity

There is no one-size-fits-all solution to recycling because motivators and barriers vary. For this reason, CAA has embedded principles of equity into the program plan in a manner that upholds and reinforces the goals set out in the RMA. These principles are integrated into each key component of PRO administration and program implementation.

This proposal describes how CAA has built equity into the proposed approaches for key activities, including:

- The establishment of a PRO depot network
- The development of responsible end markets
- Development and deployment of recycling education and outreach efforts
- PRO administration

CAA consulted with an Oregon community-based organization (CBO) to develop the equity components of this plan and will continue to consult with this and other CBOs. CAA recognizes the importance of fostering relationships with Oregon CBOs to effectively address program equity issues.

In short, the program plan outlines strategies to use this transformational moment in Oregon's materials management as a springboard to greater equity in various areas. CAA views equity work as a journey and will

continue to improve and expand upon engagement with all populations within Oregon through the course of the first program plan and future program plan periods.

Management and Compliance

As an organization helping to introduce a new approach to recycling funding and management in the U.S., CAA recognizes the importance of participant communication as the RMA moves toward implementation.

As such, this program plan offers a detailed explanation on CAA's structure of day-to-day management, as well as a communications strategy for maintaining strong connections with government entities and other interested parties.

Furthermore, CAA has outlined data collection steps and metrics considerations to effectively track program successes and areas in need of improvement. The elements of an optimized annual report are also explained.

Finally, this section of the plan lays out an in-depth process for tracking and maintaining producer compliance, setting clear standards and expectations on rules, audits, and action to take place when companies are found to be in noncompliance. This information is supplemented by important details on contract management, recordkeeping and other best practices around organizational and program governance.

It is through these clear processes that CAA has confidence in its ability to meet the expectations of regulators, drive overall program efficiency, and maintain strong coordination both internally as an organization and externally with partners across the public and private sectors.

At the Center of the Transformation

The ultimate goal of RMA implementation is a transformed system of materials usage and recovery that will be responsive to the needs of all interest holders and that will lead to significant environmental and social benefits for Oregonians.

CAA has invested significant resources in developing this program plan and is committed to working with recycling participants to deliver on the RMA objectives. There is no doubt that effectively and efficiently transitioning to a shared responsibility model of materials management and delivering on other RMA priorities will be a complicated and challenging effort and one in which producers and other interested groups will learn much along the way.

But CAA is confident the transition can and will happen successfully. The Oregon-based CAA team is committed to being innovative, adaptive, collaborative and practical when working with interest holders across the state.

Data-driven decision-making, combined with a spirit of collaboration and communication, will be critical in the quest to see the RMA realize its full potential. CAA has embedded those core principles in all segments of this plan. The group is excited at the prospect of helping Oregon usher in system shifts that help reduce

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costs, drive more material into an expanded recycling marketplace, and open the door to a better materials management future.

Goals of the Program

The overarching goal of CAA for this initial program plan period is to support the successful implementation of the RMA in collaboration with the DEQ and all key interested parties, including local governments, commingled recycling processing facilities (CRPFs), haulers, and Oregon waste generators. The goals put forth in this initial program plan are based largely upon the pillars of measuring, reporting and responsive targets, and are supported by clear objectives spelled out in the tables below. CAA developed these high-level goals with continual improvement in mind. We believe it is appropriate to frame the goals for this program plan in terms of processes and decision-making methodologies, to show how CAA will continually evaluate the processes in place and ensure that goals are neither stagnant nor overly prescriptive at such a fluid point in time. We believe it is important to understand the landscape of markets, resident and commercial engagement in the recycling system, and to ensure funding is in place, before then understanding what is achievable and what are the best practices for measuring what success looks like. To that end, success will center on four critical high-level goals:

Goal 1: Reduce the negative environmental, social, and health impacts from the production and end-of-life management of paper, food serviceware and packaging, as measured in the Life Cycle Evaluation (LCE) assessment.

Program Objectives	Outcomes/Indications of Success	Key Metrics
<p>Ensure that materials collected and processed for recycling in Oregon are consistently delivered to responsible and high-benefit end markets.</p>	<ul style="list-style-type: none"> System of identifying responsible end markets (REMs) and tracking material flows established with full cooperation from commingled recycling processing facility (CRPFs) and other key interest holders. CRPF and depot material streams directed to REMs. System established to continually monitor REM non-conformance and to address and correct issues that arise regarding REMs. Specifically identified materials (SIMs) directed to REMs, where practicable. Common performance areas for end markets tracked and analyzed for potential structural issues. Oregon-origin materials for which <u>differences in environmental impacts between disposition pathways are clearly understood and for which environmental impacts can be maximally reduced through choice of market or market development actions flow to low-impact/high-benefit markets. The prioritized materials for the first program plan period are glass, cartons, and block-white expanded polystyrene.</u> 	<ul style="list-style-type: none"> Percentage of recycled material going to REMs, including SIMs. Number, kind, and specific REMs used by CRPFs and CAA for depot material. Number of REM non-conformance issues identified, corrected and brought into conformance. Summary of REM verification undertaken. Percentage of chain of custody anomalies detected during quarterly reporting review process. Number of challenges identified by end markets and assistance deployed to work through those problems. Number of materials identified for which impacts of disposition pathways differ meaningfully from one another. Percent of these materials assessed for compliance against and ultimately complying with the hierarchy disposition requirement, <u>using a methodology developed by DEQ and CAA by the end of the program plan period.</u> Percent of materials shifted from lower-benefit to higher-benefit end markets, <u>using a methodology developed by DEQ and CAA.</u>

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Design and implement producer fee structures that provide adequate financing for RMA obligations and incentivize producers to improve environmental outcomes associated with the production and recycling of printed paper, food serviceware and packaging supplied to the Oregon market.	<ul style="list-style-type: none"> Initial base fee schedule adequately supports RMA verification of REM requirements and other system improvements. Ecomodulation factors integrated into producer fees following development of datasets and feedback mechanisms required to adjust fees for greater impact reduction. Environmental and other impacts monitored and reduced through ecomodulated fees. System in place to evaluate the effectiveness of ecomodulation and to make changes as needed to improve results. 	<ul style="list-style-type: none"> Base fees in the 60 Reporting and Fee Categories for covered materials reflecting their individual features as directed by the RMA. Data on producer changes to packaging materials and formats that reflect effects of base fees (and at a later date, as applicable, graduated fees). Quantity and types of specific environmental impacts reduced through ecomodulated fee incentives. Number and types of adjustments made to ecomodulated fees to produce stronger impacts. Number of bonuses granted. Number of producers that have qualified for bonuses.
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Goal 2: Increase the diversion of recyclable materials from disposal.

Program Objective	Outcomes/Indications of Success	Key Metrics
Create new and expanded opportunities for more Oregon waste generators to recycle a wider array of generated materials, including supporting enhancement of local collection services and establishing convenient depots for additional material collection.	<ul style="list-style-type: none"> PRO-assigned depot system established, meeting convenience standards by 2027 and providing recycling opportunities for materials assigned for depot collection and impact on material recycling rates. Local government service expansion requests evaluated and funded according to prioritization guidelines resulting in new collection opportunities created for waste generators. Uniform Statewide Collection List (USCL) applied across the state to expand what is collected in commingled recycling, and steps taken by CAA to successfully add materials to the USCL. SIMs collection issues successfully addressed. Progress toward 2028 plastic recycling goals at the end of each program year. All eligible costs from the 2023 needs assessment are funded through the program. Most eligible costs are funded within 30 months of program implementation, and select costs that do not perform well against funding request review criteria are labeled as pending for the next program plan. 	<ul style="list-style-type: none"> PRO material collection and recycling rates in relation to plan targets. Number and types of local government service expansions funded, and number and types of new collection opportunities created for waste generators. Consumer awareness and use of PRO material depots. Diversion rates associated with USCL materials. Extent of new SIMs collection efforts established. Tons of plastic materials sent to responsible end markets divided into tons of covered plastic materials generated. Extent of covered costs funded within 30 months of program implementation. At least 10% of the PRO depot sites operational by end of 2025, 65% of sites operational by end of 2026, and fully meeting the convenience standard by end of 2027 through a combination of permanent sites and collection events, where needed.
Facilitate the modernization of Oregon's commingled	<ul style="list-style-type: none"> Processor commodity risk fee (PCRF) and contamination management fee (CMF) payment system established to provide necessary funding to CRPFs. 	<ul style="list-style-type: none"> Funding provided to CRPFs through the PCRF and CMF, with associated tonnage and funding amounts.

material processing infrastructure, driving more efficient capture and delivery of high-quality materials to end markets while reducing loss of materials to residue.	<ul style="list-style-type: none"> ▪ CRPFs meeting DEQ's performance standards regarding capture rates and bale quality. ▪ Investments made in new equipment and sorting processes to accommodate the USCL and additions to the USCL. 	<ul style="list-style-type: none"> ▪ Capture rate and bale quality data from DEQ and from CAA. ▪ Individual CRPF capacity to accept and effectively sort USCL materials.
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Goal 3: Improve public participation, understanding and equity in the state's recycling system.

Program Objectives	Outcomes/Indications of Success	Key Metrics
Ensure Oregon waste generators, reflecting the states' many diverse communities, are fully informed about their recycling opportunities and how to use those opportunities optimally, confidently, and correctly.	<ul style="list-style-type: none"> ▪ Increase in the amount of USCL and depot materials collected, indexed against population and generation. ▪ Reduction in the amount of contaminant materials entering the recycling collection stream in commingled recycling and at depots. ▪ Increase in waste generator understanding and confidence in the recycling system across all populations. 	<ul style="list-style-type: none"> ▪ Tons of material collected through commingled, depot, and other applicable programs, indexed against population and generation metrics. ▪ Amount and percentage of contaminants in collected streams and in streams entering CRPFs. ▪ Measures of waste generator awareness, knowledge, and confidence in recycling (for example, participation rates) through surveys or other data collection.
Incorporate principles of equity into the deployment of recycling opportunities, education, and other elements of the recycling system.	<ul style="list-style-type: none"> ▪ Equitable recycling opportunities provided for populations that may find it difficult to access service at collection points. ▪ Process established to consult with local governments and community groups to ensure any proposals for the alternate delivery of recycling convenience standards address equitable access for communities and diverse populations. ▪ Educational materials that are clear and demonstrably understandable are universally distributed or made available. ▪ Selected businesses and depot collection partners represent diverse communities, including Certification Office for Business Inclusion and Diversity (COBID) business partnerships. ▪ Groups representing diverse populations within Oregon have consistent opportunities to interact and provide input on equity concerns. 	<ul style="list-style-type: none"> ▪ Number and kinds of recycling services provided for populations with access or mobility issues. ▪ Number of local governments and CBOs regularly consulted to provide recycling opportunities to communities which have been historically underserved. ▪ Number of COBID organizations contracted with the PRO to provide services under the RMA. ▪ Number and kinds of recycling opportunities addressing gaps identified by local governments and community groups. ▪ Number and kinds of new educational materials created and distributed, numbers and kinds of communication channels used, and number and kinds of audiences reached. ▪ Number and types of system expansions within the first program plan period. ▪ Number and types of adjustments made to grow system expansion that address previously underserved or unaddressed engagement.

Goal 4: Create a system that fulfills the needs and regulatory requirements of the PRO, its members, and all other relevant interested parties.

Program Objectives	Outcomes/Indications of Success	Key Metrics
Manage organizational operations to ensure compliance with all statutory requirements.	<ul style="list-style-type: none"> Systems and mechanisms in place to fulfill CAA PRO obligations under the RMA regarding day-to-day management, policies and procedures, communication, membership, timelines, and budgets. Mechanisms in place to address gaps, shortfalls, or other issues regarding CAA's PRO obligations. 	<ul style="list-style-type: none"> Number, kind, and operational status of systems and mechanisms for CAA management obligations. Number and nature of gaps or issues that needed to be addressed and resolution status of those gaps/issues. Producer compliance activity reports.
Provide an effective platform of support and interaction with local governments, commingled recycling processing facilities, and haulers that allow them to steadily improve their programs and facilities to meet regulatory targets and the goals of the RMA.	<ul style="list-style-type: none"> Application, reporting, invoicing, and informational platforms established that are clear, effective, and efficient for interested parties to use. Mechanisms in place to use interest holder feedback for improving platforms. Dispute resolution process developed that allows for arbitration. 	<ul style="list-style-type: none"> Number and kind of platforms in place for interaction with interested parties. Extent of platform use (number of users, etc.). Number and kind of issues with platforms expressed through participant feedback and any related adjustments made to platforms. Development of dispute resolution process.

The following program plan details the integrated steps CAA will take to produce results that meet the goals and objectives outlined above. In putting this plan into action, CAA will prioritize clear and consistent engagement with all interested groups and will adopt an approach of continual improvement, recognizing the dynamic and complex nature of the Oregon materials management system.

About Circular Action Alliance

This section of the plan provides summary information about Circular Action Alliance LLC Oregon, including details of its structure, governance and members, as well as its qualifications to serve as a PRO in Oregon.

Description of the Organization

Circular Action Alliance is a U.S., nonprofit 501(c)(3) producer responsibility organization (PRO) established to support the implementation of extended producer responsibility (EPR) laws in multiple states for paper, packaging, and food service ware. The organization was founded by leading U.S. producers representing retail, food, beverage, and consumer packaged goods manufacturing.

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Circular Action Alliance’s 20 Founding Members are Amazon; The Clorox Company; The Coca-Cola Company; Colgate-Palmolive; Danone North America; Ferrero US; General Mills; Keurig Dr Pepper; Kraft Heinz; L’Oréal USA; Mars Incorporated; Mondelez International; Nestlé USA; Niagara Bottling, LLC; PepsiCo, Inc.; Procter & Gamble; SC Johnson; Target; Unilever United States; and Walmart.

Together, Circular Action Alliance’s membership represents more than 900 brands sold in the U.S., representing a wide variety of covered material types.

Circular Action Alliance was incorporated as a nonprofit corporation on December 21, 2022 and is recognized by the Internal Revenue Services as tax exempt under Internal Revenue Code Section 501(c)(3). Circular Action Alliance has now organized separate wholly owned nonprofit 501(c)(3) subsidiaries to serve as the representative stewardship organization for producers in each state that passes an EPR law. Circular Action Alliance Oregon LLC (CAA) was formed in 2024. Both Circular Action Alliance and CAA are nonprofit organizations exempt from taxation under Section 501(c)(3) of the Internal Revenue Code.

The organization’s mission is to provide producers with consistent EPR services across multiple states while developing and implementing EPR programs that:

- Meet state-specific regulatory requirements
- Leverage existing recycling systems and infrastructure
- Advance the circularity of covered materials through collaboration with local governments, service providers, and other relevant recycling system interest holders

Circular Action Alliance’s National Board of Directors (the “National Board”) is made up of 20 voting representatives of Founding Member companies, which represent a diversity of covered material supplied to the Oregon market. Each Founding Member has the right to appoint one representative to serve as a Director on the National Board.

The National Board has established the following standing committees and has the ability to create additional committees or dissolve committees in the future:

- **Governance Committee** – consisting of at least three members appointed by the National Board who have relevant experience and expertise in governance, membership development, and compliance.
- **Finance, Audit and Investment Committee** – consisting of at least three members appointed by the National Board who have relevant experience, expertise, and knowledge in accounting, auditing, investments, budgeting, cash flow management, reserve management, and financial risk management.
- **Human Resources Committee** – consisting of at least three members, appointed by the National Board, who have relevant experience, expertise, and knowledge in human resources, employment law, organizational development, and/or diversity, equity, and inclusion.

The National Board has established a designated governing body known as the Oregon Board to help oversee the implementation of this producer responsibility plan. Decisions relating to program budgeting and producer fees will continue to reside with the National Board. The Oregon Board includes Founding Member representatives, and may also include other producer representatives and non-voting members consisting of trade associations from industries representing covered materials designated by the Oregon Board and approved by the National Board. The National Board has appointed initial voting members, who will be responsible for selecting a Chair and a Vice Chair. In 2025, the Oregon Board expects to establish a process for recruiting other producer representatives to serve as voting members and trade associations to serve as non-voting members. Individuals appointed to the Oregon Board will serve two-year terms unless they resign or are removed. The Charter of the Oregon Board is available upon request.

CAA's Qualifications to Serve as a PRO in Oregon

Circular Action Alliance was established to support the implementation of EPR laws for paper, packaging, and food serviceware and CAA is fully capable of meeting the PRO statutory requirements under the RMA. The organization has the expertise and vision to collaboratively build a producer responsibility plan that will achieve the objectives of the RMA.

Circular Action Alliance's progress to date includes the following:

- On May 1, 2023, Circular Action Alliance became the first PRO approved to administer an EPR program for paper, packaging and food serviceware in the U.S., being appointed by the Colorado Department of Public Health and Environment as the single PRO responsible for implementing Colorado's Producer Responsibility Program for Statewide Recycling Act.
- On October 18, 2023, Circular Action Alliance was approved as the single PRO to represent the interests of producers in Maryland. As the Maryland PRO, CAA will have a seat on the Producer Responsibility Advisory Council, which will make recommendations to the Maryland governor on how to effectively establish and implement a producer responsibility program for packaging materials.
- On January 5, 2024, Circular Action Alliance was approved as the single PRO to deliver the objectives of the California Plastic Pollution Prevention and Packaging Producer Responsibility Act (California Public Resources Code Sections 42040 to 42084).

As they have in these other EPR states, CAA members have invested time and resources to ensure the organization can fulfill the specific PRO obligations in relation to the RMA in Oregon.

Understanding of Oregon's Recycling Modernization Act

CAA has a strong and detailed understanding of the RMA. Following its incorporation, CAA was engaged in the Phase I and II rulemaking process (and subsequently the Rulemaking Advisory Committee), which included the submission of comments in July 2023 and July 2024.

CAA has also participated in DEQ Technical Working Groups and has pursued independent and extensive engagement with Oregon DEQ and other Oregon groups, including: local governments, Tribes, service providers, the Association of Oregon Recyclers (AOR), and the Oregon Refuse & Recycling Association (ORRA). Full details on CAA's engagement with interest holders during the development of this program plan can be found in Appendix D.

As a result of this engagement, CAA understands not only the requirements of the statute and rules, but also the priorities of key interested groups that are essential to the success of the RMA.

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Team Expertise and Capabilities

Circular Action Alliance's mission is to provide producers with consistent compliance services across multiple states while developing and implementing EPR programs that meet state-specific regulatory requirements, leverage existing recycling systems and infrastructure, and advance the circularity of covered material through collaboration with local governments, service providers, and interested parties.

The Founding Members have experience with the implementation of various EPR programs, and they have assembled a team of staff and independent service providers and subject matter experts drawn from across North America with expertise in developing and operating EPR programs to respond to state-specific regulatory requirements and recycling system needs.

CAA team members have participated in EPR implementation and program operation for many years, playing integral roles in the creation, operation, and improvement of PROs. The team has expertise in regulatory compliance, project management, governance, recycling systems and materials management, system improvement, end markets, finance, fee setting, eco-modulation, packaging design, not-for-profit operation, information technology, reporting, consumer education, producer and participant relations, and public affairs.

The Oregon team is led by an Executive Director who is responsible for building the local organization and implementation team. CAA is hiring full-time staff members based in Oregon and will continue to add Oregon-based staff to the team over time. Currently these Oregon team staff members include the following positions:

- Oregon Executive Director
- Oregon Project Manager

- Oregon USCL Recycling Manager
- Oregon Depot Manager
- Oregon Communications Manager
- Oregon Audit Director
- Oregon Reporting Director

CAA’s organization charts are included in Appendix C.

Qualifications to Deliver Interim Coordination Tasks

CAA is well-qualified to deliver the start-up tasks (previously referred to as interim coordination tasks) required to launch the program successfully on July 1, 2025, as required by state statute. In particular, the CAA team has launched the following workstreams:

Local Government and Service Provider Engagement (Oregon Recycling System Optimization Project)

This workstream began in May 2024 and concluded in October 2024. The goal was to liaise further with local governments and their service providers on expansion needs, to finalize plans for expansions to be funded in the first program plan, and to conduct consultations on other relevant aspects of the plan. CAA contracted with Resource Recycling Systems (RRS) to undertake this work, building from the initial discussions with a selection of local governments outlined in Appendix D that had taken place since September 2023. The team that led this workstream had experience relevant to Oregon’s regulatory requirements, recycling system design, and Oregon’s local government ecosystem. More information on this workstream can be found in the Operations Plan section of this plan, under “Collection and Recycling of USCL Materials.”

PRO Depot Development (Oregon Recycling System Optimization Project)

This workstream also took place from May 2024 through October 2024. The goal was to identify the baseline of the depot network, which would be composed of the existing drop-off facilities and depot locations, as well as identify new potential partners that will complete a network of PRO depot locations (supplemented by events and other collection services) to meet the necessary collection targets, convenience and performance standards, and Responsible End Market (REM) requirements under the RMA. CAA contracted with RRS, which assembled a team of experts to undertake this work, building from the initial discussions with depot organizations outlined in Appendix D. More information on this workstream can be found in the Operations Plan section of this plan, under “The PRO Recycling Acceptance List.”

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Education and Outreach

This workstream began in April 2024, with the first set of beta deliverables scheduled for February 2025, and the completion of deliverables later in 2025. The goal is to develop education and outreach collateral and a

statewide promotional campaign to communicate the USCL and PRO Recycling Acceptance List to residents and commercial entities in Oregon. The workstream includes consultations with local interest holders, including but not limited to DEQ, the Oregon Recycling System Advisory Council (ORSAC), Oregon residents (in a range of geographies and housing situations), Oregon businesses, local governments, service providers, and CBOs). CAA has assembled a team of experts to undertake this work. The team has experience in Oregon regulatory requirements, waste generator behavior trends, education materials development and delivery, Oregon-focused media executions, and Oregon local government engagement. More information on plans for this workstream can be found in the Operations Plan section of this plan, under “Education and Outreach.”

CAA’s Producer Membership

CAA membership exceeds the 10% market share threshold for covered materials in Oregon required for approved PROs. Based on available data, CAA estimates that the current updated membership (as of November 2024) accounts for at least 40% of the state’s market share of covered materials. (Details of how the market share estimate was calculated can be found in Appendix B.)

CAA is also conducting information sessions with hundreds of non-member producers regarding EPR obligations in Oregon and other states and will expand membership further through 2024 and into 2025, in advance of the program start date.

CAA is resourced to complete all the tasks necessary to start the program, including all of the interim coordination (start-up) tasks referenced in the RMA rules. CAA Oregon will be a subsidiary of the national organization that is supported by its founding members. These members have made significant funding commitments to support the CAA program plan development in Oregon and other EPR states.

Operations Plan

The operations plan section of this program plan describes activities and recommendations for increasing the diversion of recyclable materials from disposal to support progress toward targets outlined in the Recycling Modernization Act (RMA).

Important areas of Producer Responsibility Organization (PRO) involvement around operations include supporting system expansions and improvements, establishing collection depots, improving materials processing, and carrying out robust and consistent education and outreach.

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a. Collection and Recycling of USCL Materials

In this subsection, CAA details how it plans to support the collection and recycling of covered materials that are included on the Uniform Statewide Collection List (USCL).

Under ORS 459A.890, local governments and their service providers are entitled to be reimbursed or be provided advance funding for, as appropriate, eligible expenses in several RMA program areas, including but not limited to: system expansions and improvements (costs associated with the expansion and provision of recycling collection services); the transportation of covered materials over 50 miles; contamination reduction programming and periodic contamination evaluations outside of commingled recycling processing facilities (CRPFs); and ensuring 10% post-consumer content in roll carts.

The collection and recycling section of the program plan addresses each of these areas in turn, and it also discusses CAA’s start-up approach to address specific time-sensitive tasks (previously interim coordination tasks).

Since the submission of the initial draft of the program plan in March 2024, CAA has conducted ongoing outreach and consultation with local governments and service providers to:

- Undertake the Oregon Recycling System Optimization Project (more details are provided below)
- Enable the development of more accurate local government funding estimates and prioritization of disbursements
- Develop a schedule for the disbursement of funding for local government service expansion requests, as per RMA requirements
- Finalize the details of how various funding programs related to USCL materials will be administered

Administrative design principles have been developed to inform further consultation as detailed below.

Administrative Design Principles

- **Streamlined and expeditious processes** for the disbursement of eligible expenses
- **Clear and accessible claims submission** instructions and mechanisms (reliance on online submissions where possible)
- **Transparent information requirements** so that all parties are using understandable, similar source data in support of funding requests
- **Standardized review criteria** in support of prioritization and assessment of eligibility of claims (see proposed review criteria below)
- **Coordination of funding program processes** with local government budget cycles wherever possible
- **Streamlined dispute resolution processes**
- **Appropriate accountability mechanisms** to track reimbursements and any advance funding provided

For each compensation program, CAA proposes to post related policy documents, standardized registration forms, claims submissions, and other program documents on its portal for local governments and recycling service providers, for ease of access. These programs would also be supported by CAA program staff dedicated to answering questions and guiding interested parties through program administrative processes.

i. System Expansions and Improvements

Providing financial and other assistance to local governments and service providers that need to expand recycling collection services is a critical step in the implementation of this program plan and the execution of the RMA. The activities outlined below will help meet a range of objectives and goals, including expanding overall opportunities to recycle, and help meet the plastics recycling goal set out in the RMA.

Oregon Recycling System Optimization Project (ORSOP)

Building on Prior Work

Oregon DEQ released its initial RMA Local Government Needs Assessment in May 2023. While completing the needs assessment survey was voluntary for local governments, eligibility for expansion funding from the PRO(s) in the first program plan was contingent on completion of the needs assessment.

Two hundred forty-five local governments responded to the needs assessment survey (200 cities, 36 counties, and nine additional county responses) with 92.2% of respondents indicating an interest in expanding recycling services.

The first needs assessment simply identified areas of potential interest in terms of service expansion. Local governments checked general areas of interest to maintain eligibility for funding under the process, which may in some cases have resulted in an inaccurate picture of needs in relation to existing recycling services. Information provided by local governments was insufficient to prioritize funding requests in relation to RMA rule criteria (which had not been finalized at the time of the needs assessment survey).

As anticipated in DEQ's Internal Management Directive (IMD) related to the program plan submission, CAA conducted a follow up on DEQ's 2023 Needs Assessment by conducting the Oregon Recycling System Optimization Project (ORSOP) between May and October 2024 to gather information necessary to further develop its estimates of required local government funding for recycling system expansions and improvements and refine the schedule for processing funding requests in accordance with RMA rule prioritization criteria.

Project Approach

Given the interrelationship between local government needs assessment requests and other areas of the program plan pursuant to the RMA, CAA developed an integrated approach to carry out ORSOP. CAA coordinated the outreach activities required to develop more accurate estimates of service program expansion requests with continued program development of other local government compensation funding programs.

CAA's main objectives for ORSOP included:

1. Assessing local government and service provider expansion needs

2. Understanding why and how investment is needed so each request can be prioritized against statutory requirements
3. Optimizing investment to eliminate duplicative or unnecessary requests, and maximize use of existing assets
4. Building trust with local governments and service providers
5. Completing an inventory of expected costs and schedule for distribution of funds

CAA's approach for engaging local governments and their service providers in ORSOP included a quantitative survey that was supplemented with qualitative interviews. It was important to collect detailed information on local governments' existing systems and their anticipated needs to meet requirements of the RMA while seeking opportunities to optimize investments and avoid prioritizing investments that do not meet the requirements of the RMA.

CAA distributed the in-depth survey to each jurisdiction that participated in the 2023 needs assessment and/or their designated service provider. The survey was open between May 30 and August 9, 2024. CAA and collaborating organizations provided extensive outreach and technical support to maximize participation.

The outreach around the survey included:

1. A webinar for the survey launch with over 200 attendees
2. An ORSOP Resources website
3. Emails to DEQ contacts for all eligible communities
4. Partnering with trade associations, League of Oregon Cities, and Association of Oregon Counties for targeted follow-up outreach
5. Tracking completion rates using real-time response rates and sending follow-up emails for non-response or low completion rates.

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The 110-question survey was completed over a 10-week period by 396 interested parties, representing 200 participating jurisdictions. The survey had a response rate of over 85% to yield 29,000 data points from 34 of the 35 wastesheds.

Wasteshed-level interviews were then conducted to confirm requests, understand local coordination and approaches, and identify redundancies. Thirty-four of the 35 wastesheds in the state were interviewed between July 26 and September 18. The only non-participant (Klamath) actively opted out of the process.

CAA created an interview guide and protocol for cross-team consistency. The team training session was conducted for all staff engaged in interviews. Interview teams met every other week to maintain alignment. Scheduling, notes, and documentation were managed in a shared database. Jurisdiction-level responses were reviewed and compiled to develop wasteshed profiles, which contained specific clarifying questions for interviewers. Each interview was recorded, and AI transcriptions were generated. Teams captured highlights from interviews for input into the modeling.

Consultation focused on:

1. Understanding the unique conditions that may exist in each jurisdiction (i.e., local government service provider franchise arrangements, nature of existing recycling services provided, etc.)
2. Consulting with local governments and service providers on the reimbursement process, review criteria, and administrative process that will be established to finalize and roll out service expansion system funding
3. Confirming which permitted facilities and existing local government facilities would like to participate in the PRO depot network
4. Coordinating needs assessment requests in the context of other local government compensation programs such as transportation reimbursement (see relevant section below)
5. Identifying primary contacts for each local government and service provider
6. Reviewing anticipated processes for disbursement of education and outreach materials and the provision of funding for contamination reduction activities

The qualitative data from the survey and interviews related to investment requests were coded. A comparison of questionnaire and interview responses was conducted to review investment requests, remove duplicates, and inform final recommendations for the investment request expected from each jurisdiction.

The investment requests were tabulated in a master inventory of requests. That inventory was further refined through a verification process that considered evaluating the inventory for alignment with other data sources such as:

- Qualitative data from interviews
- Expected volume increases
- Number of new accounts
- New versus replacement costs
- Alignment with CAA program plans

To model the requests for carts, trucks, equipment, and other needs, unit costs were established through consultation with subject matter experts. A model was developed to extrapolate the total cost for each watershed as a function of the base unit cost for each type of investment and the number of investments in the inventory.

Ultimately, ORSOP enabled the development of a schedule, prioritization, and cost estimates of local government service expansion requests, as well as refined estimates of costs associated with reimbursements in other program areas.

General Process & Timelines for Prioritizing & Processing Service Expansion Requests

Proposed Timeline

Under the RMA, producers are not obligated to become paying participants of a PRO until the program starts on July 1, 2025. Given the anticipated cost of local government infrastructure service expansions, CAA will not be in a position to fund service expansion requests until it is receiving revenue from obligated producers.

Actual local government service expansion disbursements, therefore, are anticipated to begin after the July 1, 2025 program start date, with CAA prioritizing funding requests in accordance with RMA rule priorities. However, it is important to note that all eligible costs are expected to be funded by the end of 2027, with the exception of select costs that do not perform well against funding request review criteria, which will be labeled as pending, and reconsidered in the next program plan.

The general steps and time frame associated with implementation of this service expansion funding program are below. (This timeline can also be reviewed in Appendix M, Preliminary Program Implementation Timeline.)

- CAA conducts ORSOP (*May – October 2024*)
- CAA program plan is updated based on ORSOP (*December 2024*). Updates include:
 - A more detailed schedule for implementing collection program expansion disbursements
 - Revised estimates of local government expansion disbursements
 - A formalized administrative process for review and approval of expansion disbursements
- Validation of 2025 expansion funding requests begins (*December 2024*)
 - Execution of funding agreements with local governments
 - Identification of individual local government/service provider funding amounts
- CAA program plan approved (*February 2025*)
- Disbursement of 2025 expansion funding requests takes place (*July – December 2025*)
- CAA-local government processing of 2026 expansion funding requests begins (*Fall 2025*)
 - Detailed CAA-local government funding disbursement consultations
 - Identification of individual local government/service provider funding amounts
- Disbursement of 2026 expansion funding requests takes place (*January – December 2026*)
- CAA-Local government processing of 2027 expansion funding requests begins (*Fall 2026*)
 - Detailed CAA-local government consultations
 - Identification of individual local government/service provider funding amounts

Disbursement of 2027 expansion funding requests takes place (*January – December*).

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Funding Request Review Criteria

While RMA rules provide guidance on how to prioritize local government eligible funding requests, there are several references in the RMA related to potential service expansion requests where further clarifications will be required to determine whether or not a particular local government service expansion request is eligible for funding under the statute, and whether or not the need is a high priority to fund during the first program plan instead of a future plan.

For example, service expansion requests related to expanded on-route collection services and the addition of recycling reload facilities indicate that the recycling reload facility is an eligible expense if necessary. RMA rule requirements also indicate that the PRO must provide funding for additional recycling depots “as needed to provide convenient recycling opportunities.” See OAR 340-090-0800(1)(a)(C). In the absence of additional review criteria, to address how RMA terms such as “if necessary” or “as needed” should be interpreted, CAA is proposing program review criteria to clarify how needs assessment funding requests will be assessed. Such criteria will also support other RMA requirements related to the verification of funding amounts anticipated under the statute.

As part of ORSOP, CAA consulted with local governments regarding funding eligibility protocols and the proposed needs assessment review criteria outlined below. These criteria will be applied by CAA to identify local government needs assessment requests that are high-priority eligible costs to be funded within the program plan period. CAA may defer local government needs assessment requests that do not perform well on one or more of these criteria to the next plan period beginning in 2028, but will treat all such requests as “pending” rather than “closed.” If a rulemaking further defining eligible costs is completed in the plan period, the rules will replace these criteria and will be applied by CAA to issue decisions on all pending requests:

1. Support for Existing Services and Infrastructure

Local governments and service providers have invested heavily in recycling infrastructure over decades to deliver recycling services in conjunction with the delivery of other solid waste services that form the greater solid waste management system. Where needed, improvements and additions will be considered, but existing infrastructure should remain the foundation for services. Where consistent with other rules and funding assessment criteria, funding requests should support and utilize existing recycling infrastructure. CAA believes in this concept, and the belief appears to be shared by local governments and service providers, since none of the service expansion requests received conflicted with this concept. The ORSOP survey catalogued the existing recycling infrastructure by jurisdiction. This allowed CAA to identify the gaps that need system expansion funding, building upon the existing system. Using a watershed view of the existing infrastructure, along with watershed consultations, CAA was able to identify investments that would modernize the system on a watershed and regional basis.

2. Consistent with RMA Objectives

Funding requests must be qualified expenses under the statute that are consistent with RMA objectives to minimize the environmental impacts of producer packaging. Regarding local

government infrastructure, requests should efficiently support improved environmental outcomes related to both local government recycling and statewide packaging objectives.

3. Driving Efficiency and Effectiveness

Funding requests should improve current system efficiency and support cost-effective diversion. The funding should be used both to improve the performance of existing recycling programs (e.g., increasing the recovery of materials that are currently recycled) and add new materials in a cost-effective manner. Investments should create new capacity that meets the newly anticipated volumes of recyclables under the RMA. It is recognized that any new tons added into the recycling system will likely increase the total and net system costs. An example of this criteria would include encouraging smaller local governments to work together when expanding services to share equipment, where possible. Instead of buying one truck for each of three local governments with 500 to 1,000 households, governments may coordinate to purchase only one that would be able to serve all three. Another example is a local government operating a depot collecting three materials each in separate bins and wishing to expand to the USCL list by adding an additional bin for each material and buying more land to place them on instead of recognizing that the depot can be more efficient with one bin for all USCL materials collected more frequently.

4. Balancing Local Government and Statewide Needs

Local government funding requests should integrate well with statewide infrastructure. A balance is required between funding to support statewide system benefits and funding for local/regional funding needs and opportunities.

5. No Cross Subsidization or Duplication of Funding

There should be no cross subsidization between local government needs assessment funding and non-RMA solid waste program funding. Funding provided by CAA for recycling programs will be dedicated to eligible recycling programs only. Funding requests should also not duplicate funding provided through other RMA programs.

6. Accuracy and Transparency

Funding requests must be based on accurate and complete information. CAA will work in good faith with local governments and their service providers to document required information associated with various types of system expansion service requests (e.g., required information in relation to a request for expanded on-route collection).

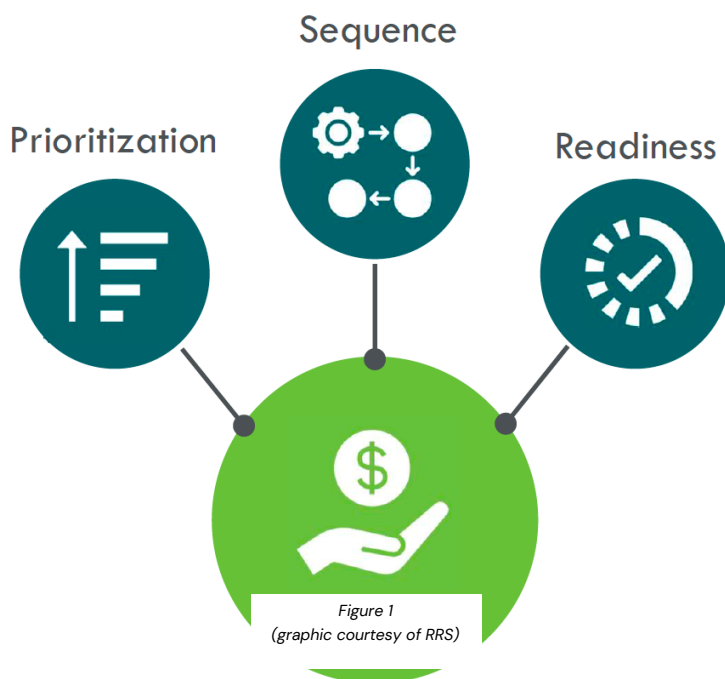
Approach to Funding Disbursement

Actual funding amounts for local government service expansion initiatives will be determined on a case-by-case basis subject to RMA eligibility requirements. A local government or service provider seeking funding identified in the program plan funding schedule (detailed later in this section of the plan) should not

purchase or order equipment without first executing a funding agreement with CAA. Expenditures without a CAA funding agreement will not be eligible for reimbursement.

As depicted in the graphic below, CAA established an administrative approach for disbursement that overlays DEQ prioritization, local government readiness, and operational sequencing. The prioritization process is explained in detail in the next subsection. Readiness can be defined as the local government or service provider's capacity to accept and deploy funding. The sequence, meanwhile, is the operational order of investments for efficient roll-out of system expansion.

The prioritization-readiness-sequencing approach is then applied to the modeled inventory of investments and cost model to generate the schedule of investments.



Assessing Priority of Funding Requests

All PRO funding for expansions and provision of recycling services from July 2025 through December 2027 have been prioritized following RMA rule guidelines. Requests have been categorized according to six priority groups:

1. **Priority Group A:** Local governments that are not, or will not be, able to provide the opportunity to recycle
2. **Priority Group B:** Existing recycling depots to provide for the collection of any materials that were formerly collected on-route by the local government or a local government's service provider, as needed to ensure continuation of recycling opportunities
3. **Priority Group C:** Existing recycling depots to provide for the collection of any materials that are not currently or were not formerly collected on-route by the local government or local government's service provider
4. **Priority Group D:** Local governments with populations less than 4,000, according to the Portland State University Population Research Center's most recent Population Estimate Report, or such other estimate approved by DEQ
5. **Priority Group E:** Local governments of any size that are looking to add new on-route or recycling depot service
6. **Priority Group F:** All other local governments that are looking to expand existing on-route collection, recycling depots, or both, in ascending order of population

In addition to these six funding priority criteria in rule, CAA has applied two additional criteria to developing the schedule of investments. Those are the criteria of readiness and projected volume increases.

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Local governments that exhibit a readiness to deploy the requested investments may receive priority over communities that require further planning and program development before the investment can be fully defined.

To assess potential volume increases, CAA will be using preliminary inbound data from DEQ to estimate tonnage upticks that would come from material additions and other expansion steps in a given community. When a local government or service provider makes a funding request that includes a projected volume increase that varies by 20% or more from CAA's estimated increase, some or all of the requests may be placed in a "parking lot" until CAA and the community can come to a shared understanding of volume projections.

Where local government requests fall into multiple RMA rule prioritization categories, CAA will attempt to identify and sequence in accordance with the most applicable rule criteria. As noted earlier, CAA will also attempt to assess local government requests on a geographic or watershed basis to improve system efficiencies.

If a prioritized local government is not ready to process its funding requests in accordance with the proposed funding schedule, CAA will work with those local governments to process service expansion requests as soon as that local government is ready to engage in the processing exercise necessary to determine final disbursement amounts.

Local Government Funding Schedule

The funding estimates for local governments and their service providers that are outlined below are model-driven and subject to variability. Some estimates are fixed because they depend on known parameters with known allocations (carts and trucks). In other cases, the calculations are based on assumptions subject to significant variability based on interpretation or unknown parameters (examples include site improvements and equipment purchases).

CAA acknowledges these disbursement estimates represent a significant decrease from the estimates laid out in the first version of the program plan — the total system expansion funding estimate for 2025 through 2027 is now \$81.5 million, whereas in the first program plan it was \$356 million to \$463 million.

Much of this shift can be attributed to the fact that the ORSOP process worked successfully to provide much more specific information from each jurisdiction to verify the need for service expansion, replacing the assumptions based on the 2023 needs assessment that were used to form estimates in the first version of the program plan.

Funding estimate changes can also be attributed to several other factors:

- Requests for new trucks and carts for curbside collection of glass are not being scheduled. CAA is working to preserve the curbside glass currently being collected by offering an incentive equal to the cost of managing glass at depots.
- Some initial estimates overstated the increase in material volumes resulting from the transition to the USCL. The Crowe study¹, in fact, projected no new volumes overall in the system. Also, if successful at reducing contamination, the system will have additional overall capacity. CAA is estimating communities may see a 7% increase if adding more items, such as plastics. Requests that came from communities estimating double-digit increases and requesting investments associated with managing that are in the funding "parking lot."
- Communities were identified that could share a resource between them, such as a truck or reload facility.

The schedule anticipates a 20% "up-front" investment for qualifying communities or investment types. The remaining funding is scheduled at the end of the reimbursement process, or upon final delivery of orders or completion of projects. An additional final reimbursement stage was modeled in anticipation of long lead times for truck purchases.

The table below shows the estimated system expansion disbursement for each local government and watershed over the course of the program plan period. It should be noted the total annual system expansion investments outlined in Table 1 do not align with the Local Government Collection Services Expansion cost estimates detailed in the program budget in Appendix E for two reasons:

¹ Crowe. *Study Results: Processor Commodity Risk Fee / Contamination Management Fee*. Retrieved March 8, 2024 from <https://www.oregon.gov/deq/recycling/Documents/TWGTASK4-5Report.pdf>.

- The cost of goods and services in the table below do not reflect the annual 5% cost of living adjustment (COLA) that has been built into the budget
- CAA built in an additional \$17.3 million for the potential need to fund investments indicated in the 2023 needs assessment but not specifically requested in ORSOP, and to support investment in Tribes as they become ready

The total projected cost for Local Government Collection Services Expansion for the program plan period, as detailed in Appendix E, is \$119.8 million. Table 1, starting on the next page, details the reimbursements that are anticipated for each jurisdiction participating in the ORSOP survey process.

Table 1 to be updated with directed changes in clean version.

Wasteshed Name	Name	Priority	2025	2026	2027	Total	Annual Operating and Education	Containers	Trucks	Depot	Rebad
Baker	Baker City	C		\$28,571		\$28,571					
Baker	Baker City	A	\$183,620	\$374,400	\$360,080	\$918,100		✓	✓	✓	
Baker	Baker County	E		\$10,000	\$40,000	\$50,000					
Baker	Baker County	A	\$283,620	\$774,400	\$360,080	\$1,418,100		✓	✓	✓	Upgrade
Baker Total			\$467,240	\$1,187,371	\$760,160	\$2,414,771	\$7,201				
Benton	Benton County	E		\$10,000	\$40,000	\$50,000					
Benton	Benton County	F		\$90,020	\$360,080	\$450,100			✓	✓	
Benton	Corvallis	F		\$8,400	\$33,600	\$42,000		✓		✓	
Benton Total			\$0	\$108,420	\$433,680	\$542,100	\$37,447				
Clatsop	Astoria	F		\$2,400	\$9,600	\$12,000		✓		✓	
Clatsop	Astoria	C		\$18,750		\$18,750					
Clatsop	Astoria	E		\$10,000	\$40,000	\$50,000					
Clatsop	Cannon Beach*	C		\$4,464		\$4,464					
Clatsop	Cannon Beach*	D		\$50,010	\$200,040	\$250,050		✓	✓	✓	
Clatsop	Clatsop County	E		\$156,020	\$624,080	\$780,100		✓	✓	✓	
Clatsop	Gearhart*	C		\$25,000		\$25,000					
Clatsop	Gearhart*	D		\$50,010	\$200,040	\$250,050		✓	✓	✓	
Clatsop Total			\$0	\$316,654	\$1,073,760	\$1,390,414	\$73,247				
Columbia	Clatskanie*	C		\$30,357		\$30,357					
Columbia	Columbia County	C		\$9,821		\$9,821					

Wasteshed Name	Name	Priority	2025	2026	2027	Total	Annual Operating and Education	Containers	Trucks	Depot	Reload
Columbia Total			\$0	\$40,179	\$0	\$40,179	\$20,457				
Coos	Bandon*	D		\$12,600	\$50,400	\$63,000		✓			
Coos	Coos Bay	A	\$462,640	\$1,130,400	\$720,160	\$2,313,200		✓	✓	✓	Upgrade
Coos	Coquille	A	\$15,400	\$61,600	\$0	\$77,000		✓			
Coos	Lakeside*	D		\$5,400	\$21,600	\$27,000		✓			
Coos	Myrtle Point*	D		\$11,200	\$44,800	\$56,000		✓			
Coos	North Bend	A	\$40,600	\$162,400	\$0	\$203,000		✓			
Coos Total			\$518,640	\$1,383,600	\$836,960	\$2,739,200	\$27,662				
Crook	Crook County	C		\$25,000		\$25,000					
Crook	Crook County	F		\$289,040	\$1,156,160	\$1,445,200		✓	✓	✓	Upgrade
Crook Total			\$0	\$314,040	\$1,156,160	\$1,470,200	\$9,975				
Curry Total			\$0	\$0	\$0	\$0	\$10,953				
Deschutes	Bend	F		\$528,032	\$2,112,128	\$2,640,160		✓	✓		
Deschutes	Deschutes County	B	\$17,143	\$68,571		\$85,714					
Deschutes	Deschutes County	E		\$561,692	\$2,246,768	\$2,808,460		✓	✓	✓	Upgrade
Deschutes	La Pine*	D		\$122,270	\$489,080	\$611,350		✓	✓	✓	
Deschutes	Redmond	F		\$458,180	\$1,832,720	\$2,290,900		✓	✓		
Deschutes	Sisters*	B	\$1,071	\$4,286		\$5,357					
Deschutes	Sisters*	D		\$137,456	\$549,824	\$687,280		✓	✓	✓	
Deschutes Total			\$18,214	\$1,880,487	\$7,230,520	\$9,129,221	\$80,217				
Douglas	Douglas County	C		\$507,321		\$507,321					
Douglas	Douglas County	F		\$826,776	\$3,307,104	\$4,133,880		✓	✓	✓	New
Douglas	Oakland*	D		\$52,878	\$211,512	\$264,390		✓	✓		

Wasteshed Name	Name	Priority	2025	2026	2027	Total	Annual Operating and Education	Containers	Trucks	Depot	Reload
Douglas	Reedsport	F		\$88,702	\$354,808	\$443,510		✓	✓		
Douglas	Roseburg	A	\$277,324	\$389,136	\$720,160	\$1,386,620		✓	✓		
Douglas Total			\$277,324	\$1,864,813	\$4,593,584	\$6,735,721	\$688,853				
Gilliam Total			\$0	\$0	\$0	\$0	\$866				
Grant Total			\$0	\$0	\$0	\$0	\$3,300				
Harney	Harney County*	C		\$7,143		\$7,143					
Harney Total			\$0	\$7,143	\$0	\$7,143	\$21,745				
Hood River	Cascade Locks*	D		\$45,010	\$180,040	\$225,050			✓		
Hood River	Hood River	F		\$73,010	\$292,040	\$365,050		✓	✓	✓	
Hood River	Hood River County	E		\$14,000	\$56,000	\$70,000		✓		✓	
Hood River Total			\$0	\$132,020	\$528,080	\$660,100	\$8,965				
Jackson	Ashland	C		\$12,857		\$12,857					
Jackson	Ashland	F		\$120,020	\$480,080	\$600,100		✓	✓	✓	
Jackson	Butte Falls town*	D		\$444	\$1,776	\$2,220		✓			
Jackson	Central Point	F		\$10,120	\$40,480	\$50,600		✓		✓	
Jackson	Eagle Point	F		\$97,090	\$388,360	\$485,450		✓	✓	✓	
Jackson	Gold Hill*	D		\$4,398	\$17,592	\$21,990		✓			
Jackson	Jackson County	C		\$60,000		\$60,000					
Jackson	Jackson County	E		\$520,276	\$2,081,104	\$2,601,380		✓	✓	✓	Upgrade
Jackson	Jacksonville*	D		\$25,006	\$100,026	\$125,032		✓	✓	✓	
Jackson	Medford	F		\$180,040	\$720,160	\$900,200			✓	✓	

Wasteshed Name	Name	Priority	2025	2026	2027	Total	Annual Operating and Education	Containers	Trucks	Depot	Reload
Jackson	Phoenix	F		\$47,220	\$188,880	\$236,100		✓	✓	✓	
Jackson	Rogue River*	D		\$91,714	\$366,856	\$458,570		✓	✓		
Jackson	Shady Cove*	D		\$116,180	\$464,720	\$580,900		✓	✓		
Jackson	Talent	F		\$8,000	\$32,000	\$40,000		✓			
Jackson Total			\$0	\$1,293,366	\$4,882,034	\$6,175,399	\$90,467				
Jefferson	Madras	F		\$21,910	\$87,640	\$109,550		✓		✓	
Jefferson Total			\$0	\$21,910	\$87,640	\$109,550	\$8,680				
Josephine	Grants Pass	F		\$100,072	\$400,288	\$500,360		✓	✓	✓	
Josephine	Josephine County	F		\$120,610	\$482,440	\$603,050		✓	✓	✓	
Josephine Total			\$0	\$220,682	\$882,728	\$1,103,410	\$36,024				
Klamath	Klamath Falls	E		\$20,000	\$80,000	\$100,000					
Klamath Total			\$0	\$20,000	\$80,000	\$100,000	\$28,634				
Lake	Lakeview town*	C		\$48,214		\$48,214					
Lake Total			\$0	\$48,214	\$0	\$48,214	\$66,066				
Lane	Coburg*	D		\$203,890	\$815,560	\$1,019,450		✓	✓		
Lane	Cottage Grove	A	\$97,220	\$28,800	\$360,080	\$486,100		✓	✓		
Lane	Creswell	F		\$104,662	\$418,648	\$523,310		✓	✓		
Lane	Eugene	F		\$913,600	\$3,654,400	\$4,568,000		✓	✓		Upgrade
Lane	Junction City	F		\$420	\$1,680	\$2,100		✓			
Lane	Lane County	C		\$92,143		\$92,143					
Lane	Lane County	E		\$854,816	\$3,419,264	\$4,274,080		✓	✓	✓	New
Lane	Lowell*	D		\$92,158	\$368,632	\$460,790		✓	✓		
Lane	Springfield	C		\$9,821		\$9,821					

Wasteshed Name	Name	Priority	2025	2026	2027	Total	Annual Operating and Education	Containers	Trucks	Depot	Reload
Lane	Springfield	F		\$249,104	\$996,416	\$1,245,520		✓	✓	✓	
Lane	Veneta	F		\$102,528	\$410,112	\$512,640		✓	✓		
Lane Total			\$97,220	\$2,651,942	\$10,444,792	\$13,193,954	\$177,487				
Lincoln	Depoe Bay*	D		\$90,020	\$360,080	\$450,100			✓	✓	
Lincoln	Lincoln City	C		\$8,929		\$8,929					
Lincoln	Lincoln City	F		\$180,040	\$720,160	\$900,200			✓	✓	
Lincoln	Lincoln County	C		\$61,607		\$61,607					
Lincoln	Lincoln County	E		\$173,176	\$692,704	\$865,880		✓		✓	Upgrade
Lincoln	Newport	E		\$10,000	\$40,000	\$50,000					
Lincoln	Newport	F		\$154,620	\$618,480	\$773,100		✓	✓	✓	Upgrade
Lincoln	Siletz*	D		\$6,322	\$25,288	\$31,610		✓			
Lincoln	Toledo*	C		\$25,000		\$25,000					
Lincoln	Toledo*	D		\$203,058	\$812,232	\$1,015,290		✓	✓	✓	Upgrade
Lincoln	Waldport*	C		\$19,643		\$19,643					
Lincoln	Waldport*	D		\$11,042	\$44,168	\$55,210		✓		✓	
Lincoln	Yachats	D		\$28,565	\$114,260	\$142,825		✓	✓		
Lincoln Total			\$0	\$972,022	\$3,427,372	\$4,399,394	\$55,207				
Linn	Albany	C		\$8,036		\$8,036					
Linn	Albany	F		\$40,000	\$160,000	\$200,000				✓	Upgrade
Linn	Brownsville*	D		\$94,710	\$378,840	\$473,550		✓	✓		
Linn	Halsey*	D		\$1,226	\$4,904	\$6,130		✓			
Linn	Linn County	E		\$9,358	\$37,432	\$46,790		✓			
Linn	Sweet Home	F		\$102,562	\$410,248	\$512,810		✓	✓	✓	

Wasteshed Name	Name	Priority	2025	2026	2027	Total	Annual Operating and Education	Containers	Trucks	Depot	Reload
Linn Total			\$0	\$255,892	\$991,424	\$1,247,316	\$49,344				
Malheur	Ontario	F		\$122,220	\$488,880	\$611,100		✓	✓	✓	
Malheur Total			\$0	\$122,220	\$488,880	\$611,100	\$31,398				
Marion	Detroit*	D		\$91,364	\$365,456	\$456,820		✓	✓		
Marion	Keizer	E		\$10,000	\$40,000	\$50,000					
Marion	Keizer	F		\$20,000	\$80,000	\$100,000		✓		✓	
Marion	Marion County	C		\$16,071		\$16,071					
Marion	Marion County	E		\$20,000	\$80,000	\$100,000					
Marion	Marion County	F		\$278,420	\$1,113,680	\$1,392,100		✓	✓	✓	Upgrade
Marion	Salem	C		\$71,964		\$71,964					
Marion	Salem	F		\$151,010	\$604,040	\$755,050		✓		✓	
Marion	Silverton	E		\$10,000	\$40,000	\$50,000					
Marion	Turner*	D		\$2,000	\$8,000	\$10,000		✓			
Marion Total			\$0	\$670,830	\$2,331,176	\$3,002,006	\$206,157				
Metro	Banks*	D		\$10,000	\$40,000	\$50,000					
Metro	Clackamas County	B	\$1,429	\$5,714		\$7,143					
Metro	Cornelius	E		\$10,000	\$40,000	\$50,000					
Metro	Oregon City	B	\$1,071	\$4,286		\$5,357					
Metro	Oregon City	F		\$342,902	\$1,371,608	\$1,714,510		✓	✓	✓	
Metro	Portland	E		\$10,000	\$40,000	\$50,000					
Metro	Portland	F		\$860,206	\$3,440,824	\$4,301,030		✓		✓	
Metro	Sherwood	C		\$9,821		\$9,821					
Metro	Troutdale	E		\$10,000	\$40,000	\$50,000					

Wasteshed Name	Name	Priority	2025	2026	2027	Total	Annual Operating and Education	Containers	Trucks	Depot	Reload
Metro	Washington County	F		\$527,080	\$2,108,320	\$2,635,400		✓	✓		
Metro Total			\$2,500	\$1,790,009	\$7,080,752	\$8,873,261	\$793,809				
Milton-Freewater	Milton-Freewater	A	\$213,640	\$134,400	\$720,160	\$1,068,200		✓	✓		
Milton-Freewater Total			\$213,640	\$134,400	\$720,160	\$1,068,200	\$2,524				
Morrow	Boardman*	A	\$222,040	\$168,000	\$720,160	\$1,110,200		✓	✓	✓	
Morrow	Irrigon*	D		\$9,800	\$39,200	\$49,000		✓		✓	
Morrow	Morrow County	A	\$14,000	\$56,000	\$0	\$70,000		✓		✓	
Morrow Total			\$236,040	\$233,800	\$759,360	\$1,229,200	\$4,214				
Polk	Polk County	E		\$114,020	\$456,080	\$570,100		✓	✓	✓	
Polk	Willamina*	D		\$91,020	\$364,080	\$455,100		✓	✓		
Polk Total			\$0	\$205,040	\$820,160	\$1,025,200	\$32,135				
Sherman Total			\$0	\$0	\$0	\$0	\$826				
Tillamook	Bay City*	D		\$100,520	\$402,080	\$502,600		✓	✓		
Tillamook	Manzanita*	D		\$101,862	\$407,448	\$509,310		✓	✓		
Tillamook	Tillamook	C		\$8,929		\$8,929					
Tillamook	Tillamook	F		\$291,240	\$1,164,960	\$1,456,200		✓	✓	✓	
Tillamook	Tillamook County	C		\$16,071		\$16,071					
Tillamook				\$20,000	\$80,000	\$100,000					
Tillamook	Tillamook County	F		\$148,000	\$592,000	\$740,000		✓		✓	Upgrade
Tillamook	Wheeler*	D		\$4,080	\$16,320	\$20,400		✓			
Tillamook Total			\$0	\$690,702	\$2,662,808	\$3,353,510	\$11,727				

Wasteshed Name	Name	Priority	2025	2026	2027	Total	Annual Operating and Education	Containers	Trucks	Depot	Reload
Umatilla	Adams*	D		\$10,000	\$40,000	\$50,000					
Umatilla	Athena*	D		\$20,000	\$80,000	\$100,000					
Umatilla	Athena*	C		\$57,857		\$57,857					
Umatilla	Echo*	D		\$3,500	\$14,000	\$17,500		✓		✓	
Umatilla	Echo*	C		\$20,536		\$20,536					
Umatilla	Helix*	D		\$10,000	\$40,000	\$50,000					
Umatilla	Hermiston	A	\$340,060	\$280,000	\$1,080,240	\$1,700,300		✓	✓	✓	
Umatilla	Pendleton	C		\$15,179		\$15,179					
Umatilla	Pendleton	C		\$40,179		\$40,179					
Umatilla	Pendleton	A	\$377,440	\$789,600	\$720,160	\$1,887,200		✓	✓	✓	Upgrade
Umatilla	Umatilla	A	\$25,900	\$103,600	\$0	\$129,500		✓		✓	
Umatilla	Umatilla County	A	\$606,560	\$265,760	\$2,160,480	\$3,032,800		✓	✓	✓	
Umatilla Total			\$1,349,960	\$1,626,210	\$4,174,880	\$7,151,050	\$65,312				
Union	La Grande	F		\$310,440	\$1,241,760	\$1,552,200		✓	✓		
Union Total			\$0	\$310,440	\$1,241,760	\$1,552,200	\$10,779				
Wallowa	Wallowa County*	C		\$1,786		\$1,786					
Wallowa Total			\$0	\$1,786	\$0	\$1,786	\$8,019				
Wasco	Dufur*	D		\$90,020	\$360,080	\$450,100			✓		
Wasco	The Dalles	A	\$159,698	\$278,712	\$360,080	\$798,490		✓	✓	✓	
Wasco	Wasco County	E		\$37,800	\$151,200	\$189,000		✓			
Wasco Total			\$159,698	\$406,532	\$871,360	\$1,437,590	\$10,553				
Wheeler Total			\$0	\$0	\$0	\$0	\$686				
Yamhill	Amity*	C		\$25,000		\$25,000					

Wasteshed Name	Name	Priority	2025	2026	2027	Total	Annual Operating and Education	Containers	Trucks	Depot	Reload
Yamhill	Amity*	D		\$5,800	\$23,200	\$29,000		✓		✓	
Yamhill	Lafayette	F		\$14,500	\$58,000	\$72,500		✓			
Yamhill	Newberg	C		\$2,143		\$2,143					
Yamhill	Sheridan	C		\$21,429		\$21,429					
Yamhill	Sheridan	F		\$14,000	\$56,000	\$70,000		✓		✓	
Yamhill	Yamhill*	D		\$6,110	\$24,440	\$30,550		✓			
Yamhill	Yamhill County	C		\$13,393		\$13,393					
Yamhill	Yamhill County	F		\$90,020	\$360,080	\$450,100			✓	✓	
Yamhill Total			\$0	\$192,394	\$521,720	\$714,114	\$44,975				
Grand Total			\$3,340,476	\$19,103,118	\$59,081,910	\$81,525,504*	\$2,725,912				

Table 1 * Does not include the 5% cost of living adjustment reflected in the total system costs detailed in the program budget in Appendix E or the \$17.3 million reserve for communities that responded to the 2023 needs assessment but did not make a request through ORSOP, and investments on Tribal lands as they are ready.

Asterisks indicate communities of under 4,000 people.

The table below shows the schedule of planned system expansion investments by quarter and priority level.

Community Priority	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	2025	2025	2025	2026	2026	2026	2026	2027	2027	2027	2027
Priority A		\$3,319,762			\$4,997,208			\$8,281,840			
Priority B			\$20,714			\$82,857					
Priority C				\$264,607			\$1,058,429				
Priority D					\$2,021,643			\$1,785,174			\$6,301,400
Priority E					\$2,591,158				\$5,683,592		\$4,681,040
Priority F					\$8,087,216					\$16,685,384	\$15,663,480
Capital Sum		\$3,319,762	\$20,714	\$264,607	\$17,697,225	\$82,857	\$1,058,429	\$10,067,014	\$5,683,592	\$16,685,384	\$26,645,920
Operating Sum		\$113,921	\$180,069	\$507,993	\$2,550,245	\$2,550,245	\$2,550,245	\$2,550,245	\$2,550,245	\$2,550,245	\$2,550,245
Total Sum		\$3,433,683	\$200,784	\$772,600	\$20,247,471	\$2,633,103	\$3,608,674	\$12,617,259	\$8,233,837	\$19,235,629	\$29,196,165

Table 2

System Expansion Funding Administrative Process

Disbursements of funding for service expansion require an administrative process that blends DEQ prioritization, local government readiness, and the sequence of operations to optimize investment timing for the state and the watershed. This process must also deliver on the following goals to maintain trust with local partners:

- Transparent
- Accountable
- Accurate
- Timely and predictable

Local governments begin the process according to prioritization in rule. Based on the priority, then each claim will go through a multi-stage process that will begin in advance of their priority funding group's initial disbursement, and continue through the course of the program plan, if not longer, depending on the nature of the investment.

The first stage is initial outreach and technical assistance from the CAA team to local government, or that government's designee, for system expansion funding. Outreach will include providing a packet of information to each jurisdiction, which will include:

- Explanation of how eligible expenses have been derived from the needs assessment and ORSOP responses
- Summary of reimbursement estimates
- An opportunity for the local government or its designee to update or correct any of its ORSOP responses
- Jurisdiction-specific summary of ORSOP results, analysis, and estimated investments, with updated ORSOP responses incorporated

The next stage is confirmation of need and readiness. The CAA team and the funding recipient will work to review the system gap identified in the ORSOP survey and determine if the local government or their service provider is ready to receive the investment. If initial steps must be taken to make the jurisdiction ready to receive the payment, those actions will be mutually identified and outlined in the funding agreement.

The funding agreement stage, involving CAA, the jurisdiction, and/or the hauler representative, will document what investments will be made, when those investments will be made, and how payment/reimbursement will be made. Those details will all be captured in a funding agreement, which will guide the system expansion process for that community over the course of the program plan period.

The funding agreement will outline what information needs to be provided to CAA for reimbursement, and through the estimated lifespan of that equipment purchase to demonstrate the asset is still in use.

Over the course of the plan period, CAA will report quarterly to DEQ on the quantity and type of infrastructure assets that have been confirmed in contracts with local governments and/or their hauler representatives. In this reporting, CAA will notify DEQ if any local government requests are being deferred as

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“pending” to a subsequent program plan period. CAA’s first quarterly report will be submitted to DEQ on November 15, 2025.

Ensuring that Eligible Costs are Funded

Communities that filled out the needs assessment but are not in the schedule of investments for system expansion funding (Table 1) will be given another opportunity to fill out the ORSOP (if they did not fill it out in 2024) or an opportunity to update their survey responses (if they did fill it out). This will be done as follows:

- o CAA and DEQ will agree upon a list of communities that fall into this category and the priority group that each belongs with.
- o Before beginning to disburse funds for each priority group, CAA will reach out to the missing communities assigned to the priority group to offer an opportunity to complete or update an extension of the ORSOP survey. CAA will gather the additional information through an MS forms document that mirrors the initial ORSOP survey. CAA will reach out via email and via phone to contacts on its current list as well as to contacts known to DEQ staff.
- o CAA will share with DEQ staff and with the Oregon Refuse and Recycling Association (ORRA) the list of communities that are unresponsive two weeks after completing the outreach step above.
- o DEQ and ORRA will have two additional weeks to establish contact with the local governments and/or service providers and confirm interest in completing or updating an ORSOP survey.
- o Once interest in completing or updating an ORSOP survey has been confirmed, CAA will work with the local government and/or service provider contacts to gather needed information about the funding requests.
- o Eligible funding requests identified during this process will be added to the budget and funded at the end of the appropriate priority group.

Deleted: Application Process for Funding Requests

Dispute Settlement Process Relating to Service Expansion Funding Requests

CAA will engage with each jurisdiction or service provider that participated in the ORSOP survey and made a request for an eligible expense, review the funding requests with each party, identify the system gap, and determine funding prioritization. The funding commitment from CAA will be captured in a funding agreement with each jurisdiction or funding designee. General payment terms offered by CAA will include direct payment to the vendor of both down payments and final payments, when they come due. Local governments or funding designees that require alternative payment terms must notify CAA of this need during discussions on the funding agreement. In general, local governments or designees requesting funding in total, up front, should offer demonstration of a hardship that requires all investments to be paid in full

Deleted: Communities that participated in the ORSOP survey will not need to submit a system expansion funding request for this program plan cycle. Jurisdictions that participated in the 2023 needs assessment but did not participate in the ORSOP survey may still request funding during this program plan cycle, and they will be added to funding priority F. For those communities, CAA will use a standardized information-gathering mechanism to gather needed specifics for assessing and meeting funding requests and to be able to gauge the requests against these evaluation criteria. This information may include:¶
Name of the project¶
Detailed description of the project¶
Financial request with detailed list of items to be acquired¶
Timeline for the project and funds to be disbursed¶
Who will be overseeing and undertaking the project?¶
What is the projected impact on the intent of the RMA?¶
Is the project consistent with industry best practices/guidelines?¶
Will the project meet the performance standards outlined in RMA rules?¶

when their priority group becomes eligible for funding. All funds received up front and not spent within a designated time frame in the funding agreement will be remitted back to CAA.

CAA will conduct a thorough review of the funding requests received during the ORSOP survey and consultation process. Based on the information provided to demonstrate the need for the investments, CAA will work with communities and service providers to finalize the terms of the needed investments. Any funding commitment from CAA will be captured in a funding agreement with each jurisdiction or funding designee. If a disagreement arises about the funding levels needed to support collection of the USCL, both parties will work through the dispute resolution process.

The dispute resolution process includes five steps, as shown in the table below.

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CAA will ensure that DEQ has the right to access information from CAA's dispute resolution process with jurisdictions or service providers if needed for DEQ enforcement actions related to rule or statutory rule interpretation.

Step	Dispute Resolution Approach	Summary	Duration of the Process
1	Working group review (with CAA, Local Governments, Service Providers, and DEQ to address anticipated agreements)	This group will offer review and interpretation on areas of ambiguity where CAA's obligations are not clearly defined in statute or rule. This group could choose to offer an interpretation of the issue for the parties to consider.	90 days
2	<u>DEQ review</u>	<u>For disputes that involve statutory or rule interpretation, DEQ may choose to conduct an independent review and issue an interpretation.</u>	<u>90 days, concurrent with step 1</u>
3	Mandatory Negotiation	When parties do not both agree to the recommendation from the working group, the issue would be elevated to mandatory negotiation. This would require both parties to meet and make a good-faith effort to resolve such dispute themselves through designated representatives.	90 days
4	Mediation	If resolution cannot be reached by the parties themselves within ninety (90) days, the parties shall engage in non-binding mediation with a mediator (who, for the avoidance of doubt, may be selected from a mediation tribunal panel of neutrals) to be mutually agreed on by the parties. The parties shall participate in mediation in good faith, including by cooperating to select a	90 days

		mediator and in scheduling the mediation proceedings. Mediation costs will be shared equally between the parties. Mediation may be conducted in-person or remotely through a videoconference platform approved by the mediator and parties.	
5	Binding Arbitration	If resolution cannot be reached by the parties through non-binding mediation, or the parties fail to complete mediation within ninety (90) days of submission of the dispute to the mediator, any outstanding dispute, controversy, or claim shall be resolved by binding arbitration. The decision of the arbitrator(s) shall be final and binding on the parties, and the parties waive any right to appeal the decision, to the extent that a waiver can be made under applicable law.	

Table 3

Accountability Mechanisms

Funding provided to local governments and their local service providers will need to be accompanied by accountability mechanisms to ensure that PRO funding provided to local governments is allocated to its intended RMA purpose. In many cases, this may include ensuring accountability mechanisms are in place for advance funding for capital items such as trucks. As part of the ORSOP, CAA consulted with local governments and local service providers regarding the accountability reporting and conditions associated with the provision of funding in relation to service expansion requests and different types of eligible funding categories.

CAA will enter into a general funding agreement with all parties eligible for funding under the RMA. For each stream of funding a jurisdiction, service provider, or PRO collection partner is eligible for, an addendum will be made that describes the terms and conditions of each funding stream. The addendum will also include details on what information must be submitted, the time frame within which payment will occur, and any information that needs to be submitted to verify performance is being met according to the addendum. All requests for payment under a funding agreement will be submitted through the CAA portal. Local governments and service providers under the funding agreement will have login credentials for the portal where they can view their account, monitor the status of current requests, and review payment for past requests. Any additional information needed to verify performance according to the terms of the agreements will also be uploaded to their record in the portal.

ii. Transportation Reimbursements

Under the RMA, the PRO is required to fund the local government or their service provider's costs of transporting covered materials from a recycling depot or recycling reload facility to a CRPF, processor, or responsible end market (REM).

DEQ rules establish methods for determining funding and reimbursement amounts, which may include payments based on zones. The rules specify that:

- Costs must be based on the actual costs of managing and transporting covered materials that must be shipped more than 50 miles
- 50-mile distance is the shortest driving distance to:
 - The nearest CRPF with capacity to process the material, if the material is commingled
 - The nearest processing or sorting facility that will prepare it for market or REM, if the material is collected separately (e.g., glass) or is not fully commingled
 - The nearest REM if the material is collected separately and in condition to be sent to an REM
- Costs to receive, consolidate, load, and transport covered materials include but are not limited to purchasing and maintaining equipment, signage (not already covered under RMA provisions), and administrative costs including related staffing costs
- Transportation costs of covered materials directly from a generator to a CRPF or REM are not eligible
- In 2027, the PRO must also conduct a transportation study
- The PRO program plan must include methods for calculating transportation costs
- Payment methods may include rate schedules or zonal maps with periodic adjustments for fuel prices or other variable factors
- Consultation with local governments and service providers on payment methods is required
 - Methods must include a voluntary option where the PRO and local government/service provider may agree to transfer some or all transportation responsibilities to the PRO

Consultation Process

During the program plan development process, CAA consulted with a select number of local government service providers on the design of the program for administering transportation disbursements under the RMA. These service providers are all likely claimants for transportation reimbursement under the RMA and were selected in consultation with ORRA, which represents haulers and other recycling businesses throughout the state.

CAA received feedback from North Lincoln Sanitary, Thompson Sanitary, and Rogue Disposal. Some of the feedback received was the concern of a mileage or zone reimbursement model not accounting for the more rural locations that are not on the main highway system. On the basis of this feedback, CAA has developed a per-hour reimbursement model. CAA has shared the details of the time-based reimbursement approach for transportation with ORRA and a number of their members. CAA has also broadly shared information about the time-based reimbursement approach for transportation reimbursement at the Association of Oregon

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Recyclers fall forum. There is broad support for this approach and general confidence [that](#) the model captures all of the cost inputs relating to the transport of USCL materials to market.

The purpose of this pre-program plan consultation was to identify elements that need to be considered in the initial drafting of the funding program for the first plan and inform the structure and approach of the more in-depth consultation through ORSOP. Through the ORSOP process, CAA sought feedback from affected parties throughout the state, including 191 jurisdictions and 34 wastesheds, to develop the proposed RMA compensation program. The list of jurisdictions consulted throughout this process, as well as the list of participants in the ORSOP process, can be found in Appendix D. The proposed transportation reimbursement model, which CAA received additional feedback on during the ORSOP, is described below. Following further consultation and outreach, CAA will finalize transportation reimbursement policies and required forms and documents. These policy documents will be available online, and CAA will conduct webinars and interest-holder outreach prior to program plan implementation to explain the claims submission process before the program start date.

CAA expects to begin processing claims from eligible funding recipients for any qualifying shipments made [on or](#) after the start of the program on July 1, 2025.

Proposed Methods for Calculating Transportation Costs

General Model

CAA will use the following process to determine the accurate transportation reimbursement:

- CAA will calculate disbursements based on a standardized hourly rate from eligible outbound facilities to the nearest CRPF with capacity or end market, with some adjustment for loading and preparation of outbound loads. If the nearest CRPF is at capacity, the CRPF must notify the transporter and CAA by email that they are at capacity and CAA will approve the change in reimbursement ranges to the next nearest CRPF.
- A standardized hourly rate, with different rates for different types of loads, would be utilized to calculate the transportation reimbursement compensation for different facilities. The model also takes into account an average of three different times of day that the loads could be delivered to account for potential rush hour traffic or congestion.
- The standardized hourly rate would be used to calculate a range of transportation reimbursements for each eligible outbound facility based on the application of the standard round trip hourly rate between eligible facilities and the nearest processing facility or end market. The reimbursement will also take into account truck load and unload time, facility staff time loading the trailer, trailer staging, and driver time.
- CAA will work with the transporter to identify backhaul opportunities, if available.

CAA will adjust the fuel rate monthly using prices from the U.S. Energy Information Administration for the “West Coast less California” area. Other costs, such as labor, will be adjusted annually using a standard cost of living adjustment. Local governments can assign transportation eligibility funding rights to service providers, and eligible transporters would register with CAA and enter into a transportation claims

agreement. Functioning through an online portal, eligible applicants would confirm eligibility for reimbursement for individual shipments with CAA prior to the shipment taking place.

CAA would confirm their shipment request and notify the receiving CRPF of the delivery. Once received, the CRPF will confirm the load was accepted and input final weights. Once that is complete, reimbursement would be disbursed to the party initiating the shipment request. The program would include a dispute settlement process with specified timelines for contested claims.

Although funding requests from service providers for facility upgrades and capital costs associated with preparation of materials (excluding costs covered under expansion of services funding to local governments) may coincide with requests for transportation cost reimbursement, CAA recommends managing funding requests for capital items (e.g. depot signage, compaction equipment, etc.) separately from transportation claims.

Registration of Claimants

A process must be established for local governments to identify the recycling depots, recycling facilities, and haulers eligible for transportation reimbursements in their jurisdictions. DEQ is creating a process for local governments to designate others to receive different streams of eligible funding.

Eligible recipients of transportation funding, which could include both local governments and service providers, would enter into a transportation claims agreement with CAA prior to receiving transportation reimbursements:

- This agreement would include terms of payments including indemnification of CAA clauses that clarify each party's liabilities and obligations with respect to transportation of RMA materials, including situations where a funding recipient was utilizing a third party to transport covered materials
- CAA intends to consult with service providers and local governments on the content of a draft transportation claims agreement template

CAA expects to facilitate the registration process and completion of transportation reimbursement claims agreements in time to enable implementation by July 1, 2025.

Establishing Standard Rates

- CAA will develop a draft recycling depot and recycling reload facility list for review by local governments and service providers
- A facility receiving rate of inbound shipments that need to be scaled, received, consolidated, stored, and reloaded and all the associated administration and reporting would be paid a standard fee per ton managed
- A transportation range of reimbursement for outbound shipments from each facility would be calculated based on a standard hourly rate applied to the nearest CRPF with capacity. The process for calculation of transportation rates for each facility would be reviewed including:
 - The categories of shipments that would be subject to different standard transportation rates (i.e., material type, destination)

- Calculation of facility rates reflecting the shipping time from each eligible facility to the nearest processing facility with capacity or nearest end market based on the standard hourly rate
- Proposed rates will be set per ton of eligible covered material

→ Payment process would include determining rates for mixed loads

Based on CAA's research of the existing material processing landscape, most CRPFs in the region do not have capacity issues. The transportation model will use the closest CRPF with reliable capacity. In the instance that a CRPF has a disruption to their available capacity, CAA will make an adjustment to the model once that is made known, and the nearest CRPF with capacity will be adjusted for those affected reload facilities.

Submissions and Reimbursements

CAA will develop an online portal to process submissions of claims. Claims processing will reflect the steps outlined below:

1. Eligible recipients would provide CAA notice of shipment through a standard form via an online process
2. CAA would pre-approve eligible shipments (within specified time frames)
3. A bill of lading would be released to relevant parties, where applicable
4. Final weights of transported materials would be reconciled by CRPFs and other receiving facilities
5. Transporter will submit an invoice for all loads transported each month
6. Payment is released

As per RMA rule requirements, CAA would notify local governments of all payments made to authorized service providers under this program.

Claims Submission Content

Operational information collected via claims submissions may include:

- Confirmation of shipment eligibility (i.e., local government or service provider designation for receipt of transportation funding of covered materials)
- Originating location of recycling depot or recycling reload facility
- Date of load pick up at recycling depot or recycling reload facility
- Destination of delivery: CRPF, processor, or REM
- Date of delivery to CRPF, processor, or REM
- Confirmation of delivery by authorized CRPF, processor, or REM representative
- Identification of covered material load type:
 - Commingled material, specific material, if appropriate
 - Baled material vs. compaction vs. uncompacted material
- If applicable, percentage of load associated with eligible covered materials

- Outbound, inbound weights — confirmation of outbound and inbound weights from outbound and inbound facilities

Timing of Payments

CAA proposes that service providers confirm eligibility of shipments and submit claims on a delivery-by-delivery basis. The payment terms and deadlines for claim adjustments will be detailed in the funding agreement and transportation funding addendum, which will need to be signed by all funding recipients.

Dispute Settlement Process

In cases where a submitted transportation claim was not pre-approved or is not considered eligible by CAA, transportation costs may not be reimbursed. If a load is approved for transportation and is rejected upon receipt at the CRPF due to contamination, CAA will work with the transporter and CRPF to determine if the contamination can be easily removed or if the load can be moved to another CRPF for processing, or if the material will need to be sent to disposal. CAA will develop a dispute settlement process for claims where a service provider and CAA disagree on eligibility for a claimed cost or the amount of the transportation cost reimbursement. Details would be included in a funding agreement transportation funding addendum, with the potential for arbitration. Affected local governments will be notified when a dispute settlement process has been initiated.

Percentage of covered material in commingled loads

- Under RMA rules, initially PROs will use data from the 2023 Oregon Solid Waste Characterization and Composition Study to determine the portion of recyclable material that is not covered material in commingled loads
- CAA will propose a standard percentage for use in all rate sheet calculations
- If a local government, service provider, or PRO in a particular county believes that the local commingled stream has a significantly different proportion of covered material (in comparison to the statewide average), it can conduct a study in consultation with the affected parties to determine the proportion of covered material in the local commingled stream
- In 2027, the PRO is obligated to conduct a study to determine the proportion of covered material in commingled loads:
- CAA will consult with interested groups on the appropriate methodology to be used in this study and the revised program plan will include an outline of the proposed approach and timing of initiative

Voluntary Transportation Option

As per RMA rules, CAA would develop an option where CAA would assume responsibility for transporting covered materials from a local government's recycling depot or recycling reload facilities to the nearest facility if the local government and CAA agree to such an approach. This would be implemented through a CAA/local government agreement that would describe service details. CAA will consult with service

providers on the details of the transportation funding program to determine their level of interest in the voluntary interest option.

Opportunities for Efficiency and Effectiveness

Wasteshed-Level Management

The management of materials at the wasteshed level offers several advantages from an administrative, planning, operational, and financial perspective. As such, it is important to manage all the materials at the wasteshed level. The materials can be planned, administered, received, consolidated, prepared for shipment, and loaded in each wasteshed. In some cases, neighboring wastesheds may find it beneficial to work together to benefit from economies of scale and avoid unnecessary duplication of services. CAA will explore options to coordinate transportation of materials on a wasteshed basis during consultation on the details of the transportation funding program. CAA also considered the challenges that many of the rural wastesheds face, being significantly larger in geography. Using the time-based reimbursement transportation model, CAA believes rural communities will be fairly compensated for the time it will take them to prepare and transport a load, as well as make the return trip if no backhaul is being made. CAA believes this creates an effective approach to the transportation funding program for all wastesheds across Oregon.

Material Compaction

The movement of materials must be minimized where possible. One of the most effective ways to minimize the movement of materials is by maximizing load capacities, thus reducing the overall number of loads needed. However, this must not be done at the risk of compromising the recyclability and recovery of the materials by CRPFs.

While baling is an effective way to maximize capacity, it has negative impacts on the recovery yield of the materials. Shipping loose materials is the least effective way of shipping materials, resulting in the most loads to be managed. The most effective way is to compact the material into closed-top walking floor trailers, maximizing the volume capacity without affecting the integrity of the material to be sorted. This will lower freight costs and increase recovery at the CRPF while reducing residue rates.

CAA will allow all options of transportation of material and CAA will work with the local governments and their service providers to eventually have the material compacted rather than loose or baled, if possible.

CAA will consult with local governments and their service providers regarding efficient transportation options. The rate sheet will likely, depending on the results of consultation, distinguish between different types of loads to encourage transportation efficiencies.

iii. Additional Reimbursement and Funding for Local Governments

Contamination Evaluation

Per the recently adopted administrative rules, CAA will operate a centralized material audit program as an effective means of helping local governments meet the requirement in ORS 459A.959(2)(b) to assess and manage contamination. Such a system will be administered, operated, and funded by CAA, with data shared at regular intervals with DEQ, local governments, and service providers.

The contamination audit framework described below is modeled after similar systems that have shown to be successful in other jurisdictions with paper and packaging EPR programs in place. The centralized approach leads to overall cost efficiency, consistency in how contamination is measured, and an ever-growing pool of data that can help highlight important trends (and opportunities for improvement) in material contamination across the state.

Number of Samples Per Community

CAA's proposed audit system will focus primarily on those communities with a population of 4,000 or more, of which there are approximately 115, along with smaller communities that offer curbside recycling collection. It is estimated that over 90% of the population of the state will be included in the audit sampling protocol. The audit center will also process samples from depot locations that collect materials on the PRO RAL, capturing data on the contamination rates of materials managed by CAA.

The focus of the audits will be on sampling from single-family dwellings and multi-family dwelling/commercial loads (generally, self-haul materials are source-separated by individual material, so sampling of USCL material collected at depots will occur but on a more limited scale).

At the outset of the audit initiative, the number of samples to be taken from a given community will depend on the population size of the community, with larger population centers having more samples taken than smaller communities. Later, when sufficient generation data becomes available, the sampling will be based on tonnage generated rather than population.

Following discussions internally and with DEQ, it is proposed that 100 samples of 220 pounds each from around the state be analyzed by CAA monthly. The total number of samples required by each community is weighted proportionally to the population of each.

For example, Salem represents 5.60% of the population of Oregon. Therefore, it will be assigned 5.6% of the 100 samples to be taken each month. This means that over the course of a year, approximately 67 samples will be taken in the City and will include material from both single-family and multi-family/commercial generators.

Sampling Methodology and Data Aggregation

CAA will work directly with CRPFs, reload facilities, and limited sort facilities to identify and separate the appropriate loads from various collectors for material samples. For the sample methodology, CAA will follow the contamination evaluation forms and procedures DEQ has established pursuant to ORS 459A.959, which can be found here: <https://www.oregon.gov/deq/recycling/Pages/gencontamination.aspx>.

After individual 220-pound samples are appropriately gathered at CRPFs and reload facilities, those samples will be shipped to CAA's centralized Audit Center (CAA will pay the cost to transport), where samples will be analyzed and sorted into individual material categories to determine the levels and composition of contamination present.

CAA is working on a reporting protocol, through which the organization will gather inbound tonnage data by facility, tied to individual collectors. The total quantities collected by community would then be multiplied by the final, annualized audit composition data to give CAA the total composition by community.

These data points would then be added together to give CAA the total composition across the state. CAA will also aggregate data by watershed and region to understand broader contamination trends.

Each community will have access to the contamination data specific to their jurisdiction, down to the route information of each sample. CAA will also publish aggregated contamination rates and details in publicly available reports that will be published annually or at more frequent intervals. Jurisdiction-level data will also be shared directly with DEQ, including disaggregated data. DEQ will also have access to sample collection videos upon request.

CAA expects to have the audit center operational in the third quarter of 2025. CAA understands the process outlined above may require slight adjustments from time to time to reflect changes in material flow, variability associated with the results of the audit sampling, and increased knowledge surrounding the program in general. Reviews of the process will include a regular analysis of the sample categories to ensure the list is up to date with the latest materials and any contamination categories necessary to help improve overall performance. CAA will request approval from DEQ for desired changes to DEQ's established contamination evaluation forms and procedures.

Contamination Reduction Programming

The RMA requires DEQ to establish and maintain a list of approved contamination reduction program elements, including:

- Customer-facing materials, methods responsive to diverse populations
- Standards for providing feedback to generators that contribute to contamination
- Standards for service or financial consequences to generators that are repeated sources of contamination

Local governments and service providers must implement programs to reduce contamination that include program elements identified by DEQ, or materials or methods that are as effective, and they must include a process to review and revise these initiatives once every five years. Local governments are only obligated to

participate to the extent program funding is provided by a PRO. PRO contamination reduction funding is capped at \$3 per capita per year.

CAA has conducted some preliminary outreach with local governments related to this program, but as in other program areas, further consultation is required to develop the details of how this program will be administered.

As with other reimbursement programs, local governments may designate service providers as eligible recipients for program funding. Local governments may also assign other local governments as funding recipients (i.e. a city may choose to designate a county as the funding recipient).

Given that PRO program funding is capped at \$3 per capita, the assignment or designation process related to this program requires local governments to assign or designate portions of funding in situations where it may be assigning funding to multiple service providers. The per-capita cap also requires the determination of funding years for which to calculate the cap and the population period on which the per-capita cap was calculated so that in any given funding year, local governments are working from the same population estimates.

To meet the funding obligation outlined in ORS 459A.890.(4), CAA proposes the following general approach to disbursing funding for contamination reduction programming:

- The funding year for disbursements would be based on the municipal fiscal year (e.g., July 1, 2025 to June 30, 2026)
- Prior to the start of each funding year, CAA would calculate the eligible cap for Oregon local governments for the upcoming year based on the most recent estimate of Oregon population available from the Portland State University Population Research Center, as per RMA rules 340-090-0810(2) (timing to be determined), and provide to local governments and DEQ
- Prior to the start of each funding year, local governments would through the Opportunity to Recycle process assign funding eligibility identifying the portion of funding available to recipients in cases where the local government was assigning eligibility to multiple recipients
- CAA would encourage local governments and eligible service providers to submit contamination reduction funding budgets, identifying what the funding will be utilized for, to CAA for pre-approval prior to the start of each program year; this process would expedite the processing of payments later in the year
- Where recipients want advance funding for contamination reduction programs, they would submit a budget for eligible items to CAA prior to the start of the program year (timing to be determined)
- Recipients that are provided advanced funding in relation to the contamination program would need to monitor spending and provide CAA with updates confirming advance funds were utilized for eligible contamination reduction program elements (timing to be determined)
- In the event that recipients of advance funding related to the contamination reduction program had not spent the advance funding by the end of the funding year, they would be required to return unspent advance funding amounts to CAA (timing to be determined)

- Per the Phase II rules, jurisdictions under 25,000 in population may request two years of funding. Jurisdictions requesting two years of funding will be asked to describe how the contamination reduction programming will be sustained over the two years being funded.

Ensuring 10% Post-Consumer Content in Roll Carts

Roll cart manufacturers now widely offer 10% post-consumer content. Current market research indicates carts containing 10% post-consumer recycled content can be purchased from multiple vendors at no cost differential to those made from virgin materials. Manufacturers require access to residentially sourced resin for producing post-consumer content, and there have been supply concerns. To monitor this, CAA will conduct quarterly research of the four major roll cart manufacturers to determine if prices for carts that meet the 10% standard have changed. If two or more companies report a premium for roll carts with 10% post-consumer content, CAA will notify local governments via a maintained email distribution list, outlining their eligibility for partial reimbursement for the price difference when purchasing new or replacement carts containing 10% post-consumer content.

For carts needed as part of the initial system expansion, CAA intends to work closely with local governments and haulers to ensure full reimbursement for the procurement of carts that meet the 10% post-consumer content requirement. When covering the full cost of the cart, CAA may also mandate that the carts have specific features: program branding, RFID tags, serial numbers, hot-stamped labels, and standardized wheels. Due to existing color-coding systems at many of the local jurisdiction levels, local governments and haulers will not be restricted to a predetermined cart color. To procure carts, interested parties must submit manufacturer bids to CAA for approval. Once CAA has reviewed and approved the bids, local governments can proceed with ordering roll carts that meet the specified criteria. After the carts have been delivered, local governments will receive reimbursement for the purchase.

Measures to Protect Ratepayers from Increased Costs

Under the RMA, producers will provide funding for several activities that are currently financed indirectly through ratepayer recycling fees. In addition, producers will fund activities designed to implement recycling system improvements. These significant investments will indirectly protect existing ratepayers from fee increases, as local governments and system participants will no longer be required to recover such costs exclusively through ratepayers.

Producer funding directed toward existing activities that should provide ratepayer protection include:

- Annual compensation to CRPFs to cover current operating and contaminant disposal costs as well as future system improvement costs
- Annual local government contamination reduction program funding
- Funding for local government transportation of covered materials for more than 50 miles

Additionally, recycling system improvements that should provide ratepayer protection include:

- Producer funding for expansion of local government collection services

- Close to 50% of CRPF compensation relates to recycling system improvements associated with RMA obligations
- Producer funding for the collection of PRO acceptance list materials, including potential funding in support of continued curbside collection of select materials
- Producer funding for the provision of local government education and outreach materials
- Producer funding to ensure collected materials are recycled at responsible end markets
- Producer funding for waste prevention and reuse projects designed to lower the environmental impact of covered materials

With respect to the processing costs of collected materials and the requirement under 459A.923(2) that requires PROs to share in processing costs to allow local governments to reduce the financial impact on ratepayers, CAA supports data reporting processes that would allow it to provide local governments with an annual estimate of PRO funding provided to processing facilities in relation to the volume of commingled materials collected in their jurisdiction. This would allow individual local governments to take PRO funding into account when setting ratepayer fees and processes for their local service providers. CAA can track certain commingled volumes through the provision of transportation subsidies but will likely require additional reporting by CRPFs to ensure that this information is accurate on a local government basis. CAA will work with DEQ to review various data reporting requirements under the RMA with the goal of providing this type of information to local governments.

Because loads of commingled recyclables from different communities can become mixed at the reload facility, it will be challenging for CAA to directly attribute transportation reimbursement back to each community. CAA can offer, upon request, a report of the transportation reimbursement provided to each transporter of commingled recyclables from a reload facility. CAA can also offer an average per ton transportation reimbursement, which will further help communities determine the transportation subsidies their recycling system received based on the volumes generated by the community.

CAA also supports the monitoring of developments at CRPFs over the course of the program plan in relation to the anticipated investments and costs identified through the study by Crowe on the Oregon PCRPF and CMF.² This is necessary to review whether anticipated investments were made and to review whether or not anticipated cost estimates for processing facilities were accurate. Such information will help refine forecasting estimates associated with anticipated future studies related to the calculation of CRPF processing fees. CAA believes that DEQ is best positioned to gather this information as a requirement of CRPF permitting reporting.

Finally, CAA has an obligation under 459A.875 to describe how it will provide funding to allow local governments to protect ratepayers from the increased costs associated with processing and marketing recyclable materials. As noted above, CAA will be making significant investments to support recycling throughout the state. CAA will provide local governments with an annual summary of RMA funding in relation

² Crowe. *Study Results: Processor Commodity Risk Fee / Contamination Management Fee*. Retrieved March 8, 2024 from <https://www.oregon.gov/deq/recycling/Documents/TWGTASK4-5Report.pdf>.

to materials collected in their jurisdiction so that these amounts can be reviewed by local governments when conducting ratepayer reviews in relation to recycling services.

As the program continues to develop, if a local government requests, CAA will aim to offer local governments information about program funding streams that may protect ratepayers from increased costs.

iv. Start-Up Approach for Time-Sensitive Tasks

Given the program start date of July 1, 2025, there are time-sensitive tasks that need to be completed during 2024 and early 2025. Following the conclusion of the ORSOP survey, CAA has established clear direction on the timing and steps for engaging with communities and their service providers who will be receiving funding during the first program plan period.

The expected start-up tasks include:

1. Starting with the communities of highest priority, consulting with and then providing associated compensation (with a single accounting point-of-contact system or online portal) to local governments and service providers for service expansion, beginning December 2024
2. Executing funding agreements with all parties eligible to receive funding from CAA, beginning February 2025
3. Setting up a single accounting point-of-contact system for compensation of local governments and service providers for expenses not related to service expansion (e.g., transportation funding, contamination funding, roll cart funding, etc.)
4. Setting up a single accounting point-of-contact system for payment of contamination management fees and processor commodity risk fees to CRPFs.

In relation to the stated start-up tasks, CAA will begin outreach to and preliminary funding disbursement discussions with communities of the highest priority, and those receiving funding in 2025, to review their identified need and build a strategy with interested parties in those communities for system expansion. Details of this proposed outreach, including ways to gather information that use participant time efficiently (by addressing multiple related topic areas, for example), are included under the "Proposal for an Oregon Recycling System Optimization Project" section above.

By June 30, 2025, the development, buildout, and implementation of a portal for local governments and service providers will be completed. All data within the portal will be encrypted to safeguard against external threats and ensure the confidentiality of data.

For local governments and service providers, the portal will allow access through a secure user ID and password. Once in the portal, service providers will be able to view their claims, account history and balance due, and reports and notices. Additionally, the portal will provide multiple means for service providers to send their claims data to CAA through a structured file upload or direct entry. As described above, details for administering each of the individual reimbursement programs will be discussed with local governments during the next phase of outreach. This process will inform further specific portal requirements.

In parallel with local government and service provider outreach, CAA will continue its discussions and engagement with Oregon's eligible CRPFs to better understand their needs and align on administrative processes for the payment of CMF and PCRF. Payment of these fees will also be facilitated through CAA's secure portal system.

Leveraging functionality that will support the overall achievement of Objective 1, including ensuring that materials are collected and processed for recycling in Oregon and are consistently delivered to responsible end markets, CAA will provide full material flow traceability through a system that manages and reconciles

inventory flow from initial possession, through validation of receipt by responsible end markets. This same functionality will support the material tracking needs under the transportation reimbursement process.

b. The PRO Recycling Acceptance List

This section outlines activities, timelines, and recommendations for increasing diversion of materials named on the PRO Recycling Acceptance List (RAL) from disposal, including steps that have been taken to meet convenience and performance standards and set collection targets.

Through ORSOP and extensive outreach to potential collection sites across the state, CAA has built a strong foundation for a network of collection points. Full details on those sites and the status of the collection system are provided below.

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CAA feels confident that work to date and strategies for ongoing expansion will allow the organization to achieve the convenience requirements in the first program plan period.

As part of that plan to move toward ensuring convenient access to collection points for all Oregonians, CAA will be making in forthcoming quarterly reporting some site-specific alternative compliance requests with respect to compliance with the convenience standard to address logistical and geographical complications that come with establishing a new statewide structure while also leveraging existing assets to full effect. CAA is also requesting in this plan administrative discretion from meeting the convenience standard statewide for block white EPS collection in the first program plan period, and is rather proposing a phased approach. Finally, CAA is also requesting in this plan that DEQ consider an alternative distance threshold for the transport of EPS per OAR 340-090-0650(3)(a)(A).

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It is also important to note that in its ongoing work to develop this new framework for PRO RAL materials, CAA has been sure to prioritize equitable access. A great number of the confirmed collection points are in areas outside the Portland Metro region, often in areas of the state that have lacked recycling collection access previously. Further, in moving the PRO list network forward, CAA is working with COBID businesses and community-based organizations that have significant experience around equity issues, to help CAA consider how to offer collection opportunities to communities that have previously been underserved.

CAA looks forward to continuing to collaborate with interest holders across the state to develop an innovative and efficient framework for collecting and managing PRO list materials.

i. Proposed Approach to Achieving Convenience Standards

Requirements

Through the rulemaking process, the Environmental Quality Commission has defined the convenience standards for depots to ensure Oregonians have reasonable and equal access to recycle materials that the PRO is responsible for collecting and managing. OAR 340-090-0640 outlines minimum sites for counties, cities and the Metro region.

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The convenience standard requires at least one collection point for materials on an “enhanced” list in cities with populations of at least 8,000 in Clackamas, Multnomah and Washington Counties and in cities with

populations of at least 4,000 in all other counties. It requires additional collection points based on the population and location of the jurisdiction.

Items on the enhanced list have been determined to be generated more frequently and therefore require more collection point options. These materials include HDPE package handles, PE and PP lids, polyethylene film, glass packaging and plastic buckets and other bulky HDPE or PP packaging.

Materials on a separate “base” level collection list are generated less frequently and require fewer options. These materials include aluminum foil and pressed aluminum products, shredded paper and block white EPS.

The PRO will be required to have a minimum of:

- One depot in every county
- For materials subject to the base convenience standard:
 - For Clackamas, Multnomah and Washington counties, one additional collection point for every 60,000 residents of that county
 - For all other counties, one additional collection point for every 40,000 residents of that county
- For materials subject to the enhanced convenience standard:
 - For Clackamas, Multnomah and Washington counties, one additional collection point for every 45,000 residents of each county
 - For all other counties, one additional collection point for every 30,000 residents of that county
- For materials subject to the base convenience standard, at least one collection point is available in each city in Clackamas, Multnomah and Washington Counties with a population of 14,000 or more residents, and at least one collection point available in all other cities with 7,000 or more residents. In addition:
 - For Clackamas, Multnomah and Washington Counties, an additional collection point for every 75,000 residents of the city
 - For cities in all other counties, an additional collection point for every 35,000 residents
- For materials subject to the enhanced convenience standard, at least one collection point available in each city in Clackamas, Multnomah and Washington Counties with a population of 8,000 or more residents, and at least one collection point available in all other cities with 4,000 or more residents. In addition:
 - For Clackamas, Multnomah and Washington Counties, an additional collection point for every 50,000 residents of the city
 - For cities in all other counties, an additional collection point for every 30,000 residents

In addition to minimum regional requirements for depots, there are additional considerations that CAA is factoring in when considering optimal locations for siting depots, including:

- Incorporated versus unincorporated parts of counties
- Proximity to public transit in the multi-depot cities
- A goal that 95% of Oregonians live within 15 miles of a depot

Block white EPS, aluminum foil and shredded paper are not included in the materials that must be collected at locations that meet the enhanced convenience standards. However, CAA plans to collect most, if not all,

PRO materials at all points in PRO depot network, meeting the enhanced convenience standards for all materials while minimizing costs to the system and increasing convenience for the user. Note: an alternative approach for block white EPS is outlined later in this section of the program plan.

CAA will also consider alternative collection locations, where necessary for certain product categories, such as PE films, shredded paper, and block white EPS.

If there are extenuating circumstances beyond the PRO's control, including natural disasters such as wildfires and floods, or other situations that could affect service to a community for a prolonged period, CAA will seek a temporary variance on operations of that depot.

Network Analysis and Mapping

Given all the requirements to meet convenience standards, CAA must establish 144 physical points of collection for materials on the PRO Recycling Acceptance List.

CAA contracted with IncaTech, a consultant group specializing in geospatial analysis, to utilize a GIS mapping tool to predict where coverage might be possible through existing depots and permitted facilities. Lists of prospective depot sites were prioritized and input separately as layers of information to produce different network coverage scenarios.

The RMA requires the PRO to prioritize outreach to permitted DEQ facilities and existing depots, as defined by OAR 340-090-0640(1)(a). As shown in the tables later in this section as well as in Appendix D and Appendix F, CAA has contacted all of the following facility types, inviting them to join the PRO depot network:

- Recycling depots and drop-off centers used by local governments to satisfy the requirement in ORS 459A.1(a)(A)
- Recycling depots and drop-off centers used by local governments to satisfy the optional opportunity to recycle program element described in ORS 459A.007(1)(g)
- Recycling depots and drop-off centers operated by or at the direction of Tribal governments
- Recycling depots and drop-off centers located at a site that operates under a valid solid waste permit issued by DEQ
- Recycling depots and drop-off centers operated at the direction of a local government or a local government service provider, as defined by ORS 459A.863(12).

During the outreach to potential depot sites, locations were contacted with direct requests to consider joining the PRO depot network. Those sites listed as "response pending" in Appendix F have or will be contacted a second time.

Through the ORSOP process, the CAA team continued proactive outreach, engaging in conversations with a wide array of geographically dispersed potential PRO depots that will serve as the basis of the depot network. In addition to existing or permitted depot sites, confirmed and potential sites include CBOs, hauler yards, collection points for other EPR programs in the state and any other existing recycling location known to CAA.

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At the time of submission of this program plan, 157 locations have indicated they would like to explore participation in the network (see Table 4 below), and 83 of those sites have signed letters of intent (LOIs). Of the identified locations, 118 are included on Table 6 (further down in this section of the plan); these are the sites CAA is moving forward with initially to establish the PRO depot collection network. CAA has identified approximately 40 other interested secondary sites that will be re-engaged once the network is established in each region.

Access to webinars, information offered on the CAA website, and other planned electronic communications will further increase awareness opportunities for these sites as required in ORS 459A.896(1)(a).

Sites that Responded “Yes” to Potentially Hosting a PRO Materials Depot*			
County	Site	City	From DEQ List of Sites or Additional
Baker	Baker Sanitary Service	Baker City	Additional
Benton	Corvallis Disposal	Corvallis	DEQ
Benton	First Alternative Coop (3 rd Street)	Corvallis	Additional
Benton	Philomath Public Works	Philomath	Additional
Clackamas	Waste Connections Canby Transfer & Recycling Center	Canby	DEQ
Clackamas	Waste Connections KB Recycling MRF	Clackamas	DEQ
Clackamas	New Seasons Market Happy Valley	Happy Valley	Additional
Clackamas	New Seasons Market Palisades	Lake Oswego	Additional
Clackamas	New Seasons Market Milwaukie	Milwaukie	Additional
Clackamas	Metro South Transfer Station	Oregon City	DEQ
Clackamas	Clackamas County Sandy Transfer Station	Sandy	DEQ
Clatsop	Recology Astoria Transfer Station	Astoria	DEQ
Columbia	Columbia County HHW & Transfer Station	St. Helens	DEQ
Coos	Beaver Hill Solid Waste Facility	Coos Bay	DEQ
Coos	Waste Connections West Coast Recycling and Transfer	Coos Bay	DEQ
Crook	Paulina Transfer Station	Paulina	DEQ
Crook	Republic Services Prineville Disposal Reload Station	Prineville	DEQ
Deschutes	Alfalfa Transfer Station	Bend	DEQ
Deschutes	Deschutes Recycling/Knott Landfill	Bend	DEQ
Deschutes	Republic Services Mid-Oregon Recycling	Bend	Additional
Deschutes	Republic Services La Pine	La Pine	Additional
Deschutes	Southwest Transfer Station	La Pine	DEQ
Deschutes	Negus Transfer Station	Redmond	DEQ

Sites that Responded “Yes” to Potentially Hosting a PRO Materials Depot*			
County	Site	City	From DEQ List of Sites or Additional
Deschutes	Republic Services High Desert Disposal	Redmond	Additional
Deschutes	Northwest Transfer Station	Sisters	DEQ
Douglas	Camas Valley Transfer Station	Camas Valley	DEQ
Douglas	Canyonville Transfer Station	Canyonville	DEQ
Douglas	Elkton Transfer Station	Elkton	DEQ
Douglas	Glide Transfer Station	Glide	DEQ
Douglas	Myrtle Creek Transfer Station	Myrtle Creek	DEQ
Douglas	Oakland Transfer Station	Oakland	DEQ
Douglas	Reedsport Transfer Station	Reedsport	DEQ
Douglas	Roseburg Transfer Station	Roseburg	DEQ
Douglas	Sutherlin Sanitary Service	Sutherlin	Additional
Douglas	Tiller Transfer Station	Tiller	DEQ
Douglas	Yoncalla Transfer Station	Yoncalla	DEQ
Gilliam	Waste Connections Condon Transfer Station	Condon	DEQ
Harney	Rim Rock Recycling	Hines	Additional
Hood River	Waste Connections Cooper Spur	Hood River	Additional
Hood River	Waste Connections Hood River Transfer Station	Hood River	DEQ
Hood River	Waste Connections Mt. Hood Recycling Depot	Mt. Hood	DEQ
Jackson	Waste Connections–Rogue Disposal Glass 4 – Ray’s Market	Central Point	Additional
Jackson	Southern Oregon Sanitation – Eagle Point	Eagle Point	DEQ
Jackson	Waste Connections–Rogue Disposal Glass Depot #6 – Ray’s Market	Jacksonville	Additional
Jackson	Goodwill of Southern Oregon	Medford	Additional
Jackson	Habitat Restore Rogue Valley	Medford	Additional
Jackson	Waste Connections–Rogue Disposal Glass 1 – Sherm’s Thunderbird	Medford	Additional
Jackson	Waste Connections–Rogue Disposal Glass 2 – Food4Less	Medford	Additional

Sites that Responded “Yes” to Potentially Hosting a PRO Materials Depot*			
County	Site	City	From DEQ List of Sites or Additional
Jackson	Waste Connections–Rogue Disposal Glass 3 – Rogue Credit Union	Medford	Additional
Jackson	Waste Connections–Rogue Disposal Glass Depot – Phoenix	Phoenix	Additional
Jackson	Waste Connections–Rogue Disposal Transfer Station and MRF	White City	DEQ
Jackson	Recology Ashland Recycling Depot	Ashland	Additional
Jackson	Recology Valley View Transfer Station	Ashland	DEQ
Jefferson	Madras Sanitary Recycle Depot (a.k.a. Owenjay)	Madras	DEQ
Josephine	Republic Services Josephine Recycling and Transfer Station	Grants Pass	DEQ
Josephine	Southern Oregon Sanitation Redwood Transfer Station	Grants Pass	DEQ
Lane	Cottage Grove Garbage	Cottage Grove	DEQ
Lane	Cottage Grove Transfer Station	Cottage Grove	DEQ
Lane	St. Vincent De Paul	Cottage Grove	Additional
Lane	Bring Recycling	Eugene	Additional
Lane	Glenwood Central Receiving Station	Eugene	DEQ
Lane	St. Vincent De Paul	Eugene	Additional
Lane	St. Vincent De Paul	Eugene	Additional
Lane	St. Vincent De Paul	Eugene	Additional
Lane	St. Vincent De Paul	Eugene	Additional
Lane	St. Vincent De Paul	Eugene	Additional
Lane	Waste Connections	Eugene	Additional
Lane	Waste Connections Ecosort Material Recovery Facility	Eugene	DEQ
Lane	Florence Transfer Station	Florence	DEQ
Lane	St. Vincent De Paul	Florence	Additional
Douglas	Glendale Transfer Station	Glendale	DEQ
Lane	St. Vincent De Paul	Junction City	Additional
Lane	St. Vincent De Paul	Springfield	Additional
Lane	St. Vincent De Paul	Springfield	Additional

Sites that Responded “Yes” to Potentially Hosting a PRO Materials Depot*			
County	Site	City	From DEQ List of Sites or Additional
Lincoln	North Lincoln Sanitary Service (AKA Next Gen)	Lincoln City	DEQ
Lincoln	Schooner Creek Public Transfer Station	Lincoln City	DEQ
Lincoln	Newport Recycling Center	Newport	DEQ
Lincoln	Thompsons Transfer and Disposal Agate Beach Transfer Station	Newport	DEQ
Lincoln	Toledo Transfer Station	Toledo	DEQ
Lincoln	South Lincoln Recycle & Transfer Station	Waldport	DEQ
Linn	Divert Albany Processing Facility	Albany	DEQ
Linn	Republic Services Albany-Lebanon Recycling Depot	Albany	DEQ
Linn	St. Vincent De Paul	Albany	Additional
Linn	Waste Connections-Sweet Home Sanitation Transfer Station	Sweet Home	DEQ
Malheur	Waste Connections Ontario Sanitary Service Transfer Station	Ontario	DEQ
Marion	Loren's Sanitation Service	Keizer	DEQ
Marion	D&O Garbage	Salem	DEQ
Marion	Gaffin Road Transfer Station	Salem	DEQ
Marion	Garten Recycling Center	Salem	DEQ
Marion	Pacific Sanitation	Salem	DEQ
Marion	St. Vincent de Paul	Salem	Additional
Marion	Suburban Garage	Salem	DEQ
Marion	Republic Services of Marion County - Silverton	Silverton	DEQ
Marion	North Marion County Recycling & Transfer Station	Woodburn	DEQ
Morrow	Boardman Recycling Depot (Front Street NE)	Boardman	DEQ
Morrow	Waste Connections North Morrow County Transfer Station	Boardman	DEQ
Morrow	Waste Connections South Morrow Transfer Station	Lexington	DEQ
Multnomah	Habitat for Humanity Portland Metro	Gresham	Additional

Sites that Responded “Yes” to Potentially Hosting a PRO Materials Depot*			
County	Site	City	From DEQ List of Sites or Additional
Multnomah	New Seasons Market Mountain Park	Lake Oswego	Additional
Multnomah	COR Recycling	Portland	DEQ
Multnomah	Far West Recycling	Portland	DEQ
Multnomah	Ground Score	Portland	Additional
Multnomah	Habitat for Humanity Portland Metro	Portland	Additional
Multnomah	James Recycling	Portland	Additional
Multnomah	Metro Central Transfer Station	Portland	DEQ
Multnomah	Metro RID Deployment Center	Portland	Additional
Multnomah	New Seasons Market Arbor Lodge	Portland	Additional
Multnomah	New Seasons Market Concordia	Portland	Additional
Multnomah	New Seasons Market Grant Park	Portland	Additional
Multnomah	New Seasons Market Hawthorne	Portland	Additional
Multnomah	New Seasons Market Raleigh Hills	Portland	Additional
Multnomah	New Seasons Market Sellwood	Portland	Additional
Multnomah	New Seasons Market Seven Corners	Portland	Additional
Multnomah	New Seasons Market Slabtown	Portland	Additional
Multnomah	New Seasons Market University Park	Portland	Additional
Multnomah	New Seasons Market Williams	Portland	Additional
Multnomah	New Seasons Market Woodstock	Portland	Additional
Multnomah	The Arc of Portland	Portland	Additional
Polk	Republic Services – Dallas	Dallas	DEQ
Polk	Recology Western Oregon Waste	Grand Ronde	Additional
Polk	Brandt’s Sanitary	Monmouth	DEQ
Sherman	Sherman County Transfer Station	Biggs	DEQ

Sites that Responded “Yes” to Potentially Hosting a PRO Materials Depot*			
County	Site	City	From DEQ List of Sites or Additional
Sherman	Waste Connections Grass Valley glass depot	Grass Valley	Additional
Sherman	Waste Connections Rufus glass depot	Rufus	Additional
Tillamook	Manzanita Transfer Station	Manzanita	DEQ
Tillamook	Pacific City Transfer Station	Pacific City	DEQ
Tillamook	Tillamook Transfer Station	Tillamook	DEQ
Umatilla	Humbert Refuse Landfill	Athena	DEQ
Umatilla	Waste Connections City of Echo Recycling Depot	Echo	Additional
Umatilla	Waste Connections Hermiston Recycling Depot	Hermiston	DEQ
Umatilla	Waste Connections–Sanitary Disposal Transfer Station	Hermiston	DEQ
Umatilla	Milton–Freewater Recycling Depot	Milton–Freewater	DEQ
Umatilla	Milton–Freewater Sanitary Landfill	Milton–Freewater	DEQ
Umatilla	Pendleton Recycling Depot (downtown)	Pendleton	DEQ
Umatilla	Pendleton Transfer Station	Pendleton	DEQ
Umatilla	Waste Connections–Sanitary Disposal Stanfield	Stanfield	Additional
Umatilla	Umatilla Recycling Depot	Umatilla	DEQ
Wasco	Waste Connections City of Maupin Recycling Depot	Maupin	Additional
Wasco	St. Vincent de Paul	The Dalles	Additional
Wasco	Waste Connections The Dalles Transfer Station and HHW Facility	The Dalles	DEQ
Washington	Swatco	Banks	Additional
Washington	Habitat for Humanity Portland Metro	Beaverton	Additional
Washington	New Seasons Market Cedar Hills	Beaverton	Additional
Washington	New Seasons Market Progress Ridge	Beaverton	Additional
Washington	Metro Cornelius property	Cornelius	Additional
Washington	Habitat Restore West Tuality	Forest Grove	Additional
Washington	Far West Recycling	Hillsboro	DEQ
Washington	New Seasons Market Orenco Station	Hillsboro	Additional

Sites that Responded “Yes” to Potentially Hosting a PRO Materials Depot*			
County	Site	City	From DEQ List of Sites or Additional
Washington	Pride Recycling Company	Sherwood	DEQ
Washington	New Seasons Market Nyberg Rivers	Tualatin	Additional
Washington	Republic Willamette Resources TS/MRF	Wilsonville	DEQ
Wheeler	Fossil Solid Waste Transfer Station and Recycling Station	Fossil	DEQ
Yamhill	Recology Valley Recovery Zone	McMinnville	DEQ
Yamhill	Waste Management Newberg Transfer and Recycling Center	Newberg	DEQ
* Nearly all sites are existing recycling locations.			

Table 4

A number of permitted and existing depot sites opted to not participate (or their responses are pending), and these are listed in Appendix F.

Closing Gaps to Meet Convenience Standards

Layering the emerging landscape of existing depots and permitted facilities over the county and city convenience standard requirements identified where gaps would exist. Given the location requirements, some gaps emerged in urban areas where alternative methods of collection are needed.

To fill some of the gaps, CAA researched likely participating partner locations. Thrift-based CBOs, Oregon Eycles sites and hauler yards became an outreach priority and continue to be the most promising additions to the baseline set of locations that CAA has identified.

CAA has consulted with several organizations to explore the feasibility of utilizing their services to fulfill the remainder of the convenience standards requirements. Those organizations include:

- St. Vincent de Paul
- Bring Recycling
- Oregon Beverage Recycling Cooperative
- Habitat ReStores in the Portland Area
- James Recycling in the Metro Area
- Trash for Peace
- The Arc of Portland
- Ground Score
- Gorge Sustainability Project

All of these organizations, which are either non-profit or minority owned/operated, have expressed interest in continuing to explore the opportunity to be part of the PRO depot network.

Once the program is underway, to ensure compliance with convenience standards for transit access, CAA will consult with local governments to continue to better understand geographic details. CAA will also use the GIS mapping tool to overlay public transit routes and help CAA verify how additional depot locations meet the proximity requirements for access to public transit. CAA will continue to communicate with all interested parties as backups and alternative options may become necessary if the landscape changes. CAA also recognizes that some sites that expressed interest in the network might not be able to meet performance standards and will be unable to participate, so having backup sites ready will ensure quicker implementation. CAA also noted and layered many of the existing permitted locations, as well as potential future partner locations that could serve as backup in cities where convenience standards would not be met if some of the central existing permitted locations chose not to participate.

1. As another step to closing gaps in the network, CAA will request alternative compliance per OAR 340-090-0640(6)(a) for use of sites that do not exactly fit the convenience standard requirements as prescribed by regulation. CAA will request alternative compliance for sites that meet the following criteria, which CAA believes still provide for convenient collection for Oregonians. **Address-Based City Inclusion:** CAA will request alternative compliance for sites that have city-based addresses but technically fall just outside city limits. This will enable practical site placements that meet logistical and access needs for residents. Many of the existing permitted facilities fall into this category.
2. **Adjacent Jurisdiction Placement:** CAA will request alternative compliance for collection points located in a neighboring jurisdiction but directly adjacent to the city or county where the site is needed. In many instances, these are jurisdictions where residents frequently travel for shopping or other errands, so would likely be viewed as convenient.
3. **Mileage-based consideration:** CAA will request alternative compliance for collection points located within a 5-mile radius of urban jurisdictions and a 15-mile radius of rural jurisdictions (as proposed in the first program plan) within which it is not possible to locate a depot. In the instance a site meeting any of these criteria would need to be used, CAA will consult with the primary jurisdictions to ensure no viable sites are available and the DEQ designated point of contact for the jurisdiction agrees that the alternative location would be considered convenient for the residents of the jurisdiction.

The following table indicates the depot locations that will satisfy convenience standard requirements using one of the components of administrative discretion described above.

Local Government	Satisfies "Base" Convenience Standard	Satisfies "Enhanced" Convenience Standard	Facility Name	Address	City	Zip Code	Alternative Compliance Request

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Gladstone	No	Yes	Waste Connections KB Recycling MRF	9602 SE Clackamas Rd	Clackamas	97015	Less than a mile from city limits and 5 miles from city center. Well established drop-off point for surrounding community.
Bend	Yes	Yes	Republic Services Deschutes Recycling	61050 SE 27th St	Bend	97702	Just outside of city limits. Known as the go-to location for disposal and recycling for the city and county. Located 3.8 miles from city center.
Roseburg	Yes	Yes	Roseburg Transfer Station	165 McClain West Ave	Roseburg	97470	~1.5 miles from city limits. Known as the go-to for disposal and recycling for the city and county. Located 4 miles from city center.
Gilliam County	Yes	Yes	Waste Connections Condon Transfer Station	18342 Brown Ln	Condon	97823	~1.5 miles from city center. Known as the go-to for disposal and recycling for the city and county.
Central Point	Yes	Yes	Waste Connections–Rogue Disposal Transfer Station & MRF	8001 Table Rock Rd	White City	97503	~6 miles from city center. Known as the go-to for disposal and recycling for city and county.
Grants Pass	No	Yes	Republic Services Josephine Recycling and Transfer Station	1749 Merlin Rd	Grants Pass	97526	7.5 miles from city center. Known as the go-to for disposal and recycling for city and county.
Eugene	Yes	Yes	Waste Connections	1650 Glenwood Blvd	Eugene	97403	3.5 miles from city center.
Eugene	Yes	Yes	Glenwood Central Receiving Station	3100 E. 17th Ave	Eugene	97403	3.5 miles from city center. Known as the go-to for disposal and recycling for the City.
Eugene	Yes	Yes	Bring Recycling	4446 Franklin Blvd	Eugene	97403	3.6 miles from City center. Known as the go to for alternative recycling opportunities for the City.
Salem	Yes	Yes	Suburban Garage	6075 State St	Salem	97317	6 miles from city center and 1.5 miles from city border.

Woodburn	Yes	Yes	North Marion County Recycling & Transfer Station	17827 Whitney Ln NE	Woodburn	97071	3 miles from city center and 1.5 miles from city border.
Portland	Yes	Yes	New Seasons Mountain Park	3 Monroe Pkwy Suite R	Lake Oswego	97035	Meters from City of Portland border.
Phoenix	No	Yes	Recology TS	3000 N Valley View Rd	Ashland	97520	4 miles from city center.
Talent	No	Yes	Recology TS	3000 N Valley View Rd	Ashland	97520	8 miles from city center.

Table 5. CAA will request alternative compliance on a site-by-site basis for each of the sites in Table 5, and possibly other sites, as part of its quarterly, interim progress reporting to DEQ (see "Interim Reporting" subsection below). For each request, CAA will provide analysis of performance against the four criteria listed in rule at OAR 340-090-0640(6)(c).

When a proposal for alternative compliance is approved by DEQ, CAA will include in its annual report, a review of the impacts the alternative compliance has had on equitable access, and the actions taken to uphold equity using an alternative jurisdiction.

In such cases, CAA will address these gaps by implementing one or more strategies to meet the convenience standard for PRO materials collection.

As described above, CAA has conducted outreach, both through ORSOP and through additional channels, to identify PRO RAL depot locations in every Oregon watershed to ensure we are securing a plan for equitable access to collection sites.

The table below details, by county and by the communities within each county and their populations, the distribution of the 118 potential PRO RAL depots that have indicated interest and will form the first group of sites CAA will be working with to establish the network. The table also shows the populations reached by each depot and indicates whether or not these sites meet the base and/or enhanced standard. Together, the proposed depot sites reach approximately 94.6% of the state's population, with a few identified locations where a request for administrative discretion would allow a well-suited site to qualify despite being just outside a city limit or 15-mile radius.

Throughout the program plan period, CAA will add more locations to address where gaps exist.

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Population Covered by CAA RAL Depots – 15 Mile Buffer Distance + Convenience Analysis										
	Total Population (2020 Census)	Population within 15 Miles	Population Beyond 15 Miles	Percent of Population within 15 Miles	Base Target	Enhanced Target	Depots Count	Variance Depot Count	Meets Base	Meets Enhanced
State of Oregon	4,237,256	4,009,552	227,704	94.6%	113	140	118	0	Yes	No
Baker County	16,668	13,298	3,370	79.8%	1	1	1	N/A	Yes	Yes
Baker City	10,099	10,099	0	100.0%	1	1	1	0	Yes	Yes
Greenhorn	3	0	3	0.0%	0	0	0	0	Yes	Yes
Haines	373	373	0	100.0%	0	0	0	0	Yes	Yes
Halfway	351	0	351	0.0%	0	0	0	0	Yes	Yes
Huntington	502	0	502	0.0%	0	0	0	0	Yes	Yes
Richland	165	0	165	0.0%	0	0	0	0	Yes	Yes
Sumpter	204	0	204	0.0%	0	0	0	0	Yes	Yes
Unity	40	0	40	0.0%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	4,931	2,826	2,105	57.3%	N/A	N/A	N/A	N/A	N/A	N/A
Benton County	95,184	94,490	694	99.3%	3	4	4	N/A	Yes	Yes
Adair Village	994	994	0	100.0%	0	0	0	0	Yes	Yes
Albany	9,117	9,117	0	100.0%	0	0	0	0	Yes	Yes
Corvallis	59,922	59,922	0	100.0%	2	3	2	1	Yes	Yes with Discretion
Monroe	647	647	0	100.0%	0	0	0	0	Yes	Yes
Philomath	5,350	5,350	0	100.0%	0	1	1	0	Yes	Yes
<i>All other areas of county</i>	19,154	18,460	694	96.4%	N/A	N/A	N/A	N/A	N/A	N/A
Clackamas County	421,401	419,968	1,433	99.7%	8	10	7	N/A	No	No
Barlow	133	133	0	100.0%	0	0	0	0	Yes	Yes
Canby	18,171	18,171	0	100.0%	1	1	1	0	Yes	Yes
Estacada	4,356	4,356	0	100.0%	0	0	0	0	Yes	Yes

Population Covered by CAA RAL Depots – 15 Mile Buffer Distance + Convenience Analysis										
	Total Population (2020 Census)	Population within 15 Miles	Population Beyond 15 Miles	Percent of Population within 15 Miles	Base Target	Enhanced Target	Depots Count	Variance Depot Count	Meets Base	Meets Enhanced
Gladstone	12,017	12,017	0	100.0%	0	1	0	1	Yes	Yes with Discretion
Happy Valley	23,733	23,733	0	100.0%	1	1	1	0	Yes	Yes
Johnson City	539	539	0	100.0%	0	0	0	0	Yes	Yes
Lake Oswego	38,107	38,107	0	100.0%	1	1	1	0	Yes	Yes
Milwaukie	21,119	21,119	0	100.0%	1	1	1	0	Yes	Yes
Molalla	10,228	10,228	0	100.0%	0	1	0	0	Yes	No
Oregon City	37,572	37,572	0	100.0%	1	1	1	0	Yes	Yes
Portland	843	843	0	100.0%	0	0	0	0	Yes	Yes
Rivergrove	495	495	0	100.0%	0	0	0	0	Yes	Yes
Sandy	12,612	12,612	0	100.0%	0	1	0	1	Yes	Yes with Discretion
Tualatin	24,786	24,786	0	100.0%	0	0	0	0	Yes	Yes
West Linn	27,373	27,373	0	100.0%	1	1	0	0	No	No
Wilsonville	24,522	24,522	0	100.0%	1	1	1	0	Yes	Yes
<i>All other areas of county</i>	186,425	184,992	1,433	99.2%	N/A	N/A	N/A	N/A	N/A	N/A
Clatsop County	41,072	40,125	947	97.7%	2	2	2	N/A	Yes	Yes
Astoria	10,181	10,181	0	100.0%	1	1	1	0	Yes	Yes
Cannon Beach	1,489	1,489	0	100.0%	0	0	0	0	Yes	Yes
Gearhart	1,793	1,793	0	100.0%	0	0	0	0	Yes	Yes
Seaside	7,115	7,115	0	100.0%	1	1	1	0	Yes	Yes
Warrenton	6,277	6,277	0	100.0%	0	1	0	0	Yes	No

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Population Covered by CAA RAL Depots – 15 Mile Buffer Distance + Convenience Analysis										
	Total Population (2020 Census)	Population within 15 Miles	Population Beyond 15 Miles	Percent of Population within 15 Miles	Base Target	Enhanced Target	Depots Count	Variance Depot Count	Meets Base	Meets Enhanced
<i>All other areas of county</i>	14,217	13,270	947	93.3%	N/A	N/A	N/A	N/A	N/A	N/A
Columbia County	52,589	49,073	3,516	93.3%	2	2	2	N/A	Yes	Yes
Clatskanie	1,716	1,716	0	100.0%	0	0	1	0	Yes	Yes
Columbia City	1,949	1,949	0	100.0%	0	0	0	0	Yes	Yes
Prescott	82	82	0	100.0%	0	0	0	0	Yes	Yes
Rainier	1,911	1,911	0	100.0%	0	0	0	0	Yes	Yes
Scappoose	8,010	8,010	0	100.0%	1	1	0	0	No	No
St. Helens	13,817	13,817	0	100.0%	1	1	1	0	Yes	Yes
Vernonia	2,374	0	2,374	0.0%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	22,730	21,588	1,142	95.0%	N/A	N/A	N/A	N/A	N/A	N/A
Coos County	64,929	63,099	1,830	97.2%	2	3	2	N/A	Yes	No
Bandon	3,321	3,321	0	100.0%	0	0	0	0	Yes	Yes
Coos Bay	15,985	15,985	0	100.0%	1	1	1	0	Yes	Yes
Coquille	4,015	4,015	0	100.0%	0	1	1	0	Yes	Yes
Lakeside	1,904	1,904	0	100.0%	0	0	0	0	Yes	Yes
Myrtle Point	2,475	2,475	0	100.0%	0	0	0	0	Yes	Yes
North Bend	10,317	10,317	0	100.0%	1	1	0	0	No	No
Powers	710	0	710	0.0%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	26,202	25,082	1,120	95.7%	N/A	N/A	N/A	N/A	N/A	N/A
Crook County	24,738	24,026	712	97.1%	1	1	1	N/A	Yes	Yes

Population Covered by CAA RAL Depots – 15 Mile Buffer Distance + Convenience Analysis										
	Total Population (2020 Census)	Population within 15 Miles	Population Beyond 15 Miles	Percent of Population within 15 Miles	Base Target	Enhanced Target	Depots Count	Variance Depot Count	Meets Base	Meets Enhanced
Prineville	10,736	10,736	0	100.0%	1	1	1	0	Yes	Yes
<i>All other areas of county</i>	14,002	13,290	712	94.9%	N/A	N/A	N/A	N/A	N/A	N/A
Curry County	23,446	14,757	8,689	62.9%	1	1	1	N/A	Yes	Yes
Brookings	6,744	6,744	0	100.0%	1	1	0	1	Yes with Discretion	Yes with Discretion
Gold Beach	2,341	0	2,341	0.0%	0	0	0	0	Yes	Yes
Port Orford	1,146	0	1,146	0.0%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	13,215	8,013	5,202	60.6%	N/A	N/A	N/A	N/A	N/A	N/A
Deschutes County	198,253	174,493	23,760	88.0%	6	8	6	N/A	Yes	No
Bend	99,178	99,178	0	100.0%	4	4	3	1	Yes with Discretion	Yes with Discretion
La Pine	2,512	0	2,512	0.0%	0	0	0	0	Yes	Yes
Redmond	33,274	33,274	0	100.0%	2	2	1	1	Yes with Discretion	Yes with Discretion
Sisters	3,064	0	3,064	0.0%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	60,225	42,041	18,184	69.8%	N/A	N/A	N/A	N/A	N/A	N/A
Douglas County	111,201	100,001	11,200	89.9%	3	4	4	N/A	Yes	Yes
Canyonville	1,640	815	825	49.7%	0	0	0	0	Yes	Yes
Drain	1,172	0	1,172	0.0%	0	0	0	0	Yes	Yes
Elkton	183	0	183	0.0%	0	0	0	0	Yes	Yes
Glendale	858	0	858	0.0%	0	0	0	0	Yes	Yes

Population Covered by CAA RAL Depots – 15 Mile Buffer Distance + Convenience Analysis										
	Total Population (2020 Census)	Population within 15 Miles	Population Beyond 15 Miles	Percent of Population within 15 Miles	Base Target	Enhanced Target	Depots Count	Variance Depot Count	Meets Base	Meets Enhanced
Myrtle Creek	3,481	3,481	0	100.0%	0	0	0	0	Yes	Yes
Oakland	934	934	0	100.0%	0	0	0	0	Yes	Yes
Reedsport	4,310	4,310	0	100.0%	0	1	0	1	Yes	Yes with Discretion
Riddle	1,214	1,214	0	100.0%	0	0	0	0	Yes	Yes
Roseburg	23,683	23,683	0	100.0%	1	1	0	1	Yes with Discretion	Yes with Discretion
Sutherlin	8,524	8,524	0	100.0%	1	1	1	0	Yes	Yes
Winston	5,625	5,625	0	100.0%	0	1	1	0	Yes	Yes
Yoncalla	1,021	0	1,021	0.0%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	58,556	51,415	7,141	87.8%	N/A	N/A	N/A	N/A	N/A	N/A
Gilliam County	1,995	1,037	958	52.0%	1	1	1	N/A	Yes	Yes
Arlington	628	0	628	0.0%	0	0	0	0	Yes	Yes
Condon	711	711	0	100.0%	0	0	0	0	Yes	Yes
Lonerock	25	0	25	0.0%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	631	326	305	51.7%	N/A	N/A	N/A	N/A	N/A	N/A
Grant County	7,233	0	7,233	0.0%	1	1	0	N/A	No	No
Canyon City	660	0	660	0.0%	0	0	0	0	Yes	Yes
Dayville	132	0	132	0.0%	0	0	0	0	Yes	Yes
Granite	32	0	32	0.0%	0	0	0	0	Yes	Yes
John Day	1,664	0	1,664	0.0%	0	0	0	0	Yes	Yes
Long Creek	173	0	173	0.0%	0	0	0	0	Yes	Yes
Monument	115	0	115	0.0%	0	0	0	0	Yes	Yes

Population Covered by CAA RAL Depots – 15 Mile Buffer Distance + Convenience Analysis										
	Total Population (2020 Census)	Population within 15 Miles	Population Beyond 15 Miles	Percent of Population within 15 Miles	Base Target	Enhanced Target	Depots Count	Variance Depot Count	Meets Base	Meets Enhanced
Mount Vernon	548	0	548	0.0%	0	0	0	0	Yes	Yes
Prairie City	841	0	841	0.0%	0	0	0	0	Yes	Yes
Seneca	165	0	165	0.0%	0	0	0	0	Yes	Yes
All other areas of county	2,903	0	2,903	0.0%	N/A	N/A	N/A	N/A	N/A	N/A
Harney County	7,495	6,009	1,486	80.2%	1	1	1	N/A	Yes	Yes
Burns	2,730	2,730	0	100.0%	0	0	0	0	Yes	Yes
Hines	1,645	1,645	0	100.0%	0	0	0	0	Yes	Yes
All other areas of county	3,120	1,634	1,486	52.4%	N/A	N/A	N/A	N/A	N/A	N/A
Hood River County	23,977	22,525	1,452	93.9%	1	1	1	N/A	Yes	Yes
Cascade Locks	1,379	0	1,379	0.0%	0	0	0	0	Yes	Yes
Hood River	8,313	8,313	0	100.0%	1	1	0	1	Yes with Discretion	Yes with Discretion
All other areas of county	14,285	14,212	73	99.5%	N/A	N/A	N/A	N/A	N/A	N/A
Jackson County	223,259	221,349	1,910	99.1%	6	8	8	N/A	Yes	Yes
Ashland	21,360	21,360	0	100.0%	1	1	1	0	Yes	Yes
Butte Falls	443	443	0	100.0%	0	0	0	0	Yes	Yes
Central Point	18,997	18,997	0	100.0%	1	1	1	0	Yes	Yes
Eagle Point	9,686	9,686	0	100.0%	1	1	0	1	Yes with Discretion	Yes with Discretion
Gold Hill	1,335	1,335	0	100.0%	0	0	0	0	Yes	Yes

Population Covered by CAA RAL Depots – 15 Mile Buffer Distance + Convenience Analysis										
	Total Population (2020 Census)	Population within 15 Miles	Population Beyond 15 Miles	Percent of Population within 15 Miles	Base Target	Enhanced Target	Depots Count	Variance Depot Count	Meets Base	Meets Enhanced
Jacksonville	3,020	3,020	0	100.0%	0	0	0	0	Yes	Yes
Medford	85,824	85,824	0	100.0%	3	4	2	2	Yes with Discretion	Yes with Discretion
Phoenix	4,475	4,475	0	100.0%	0	0	0	0	Yes	Yes
Rogue River	2,407	2,407	0	100.0%	0	0	0	0	Yes	Yes
Shady Cove	3,081	3,081	0	100.0%	0	0	0	0	Yes	Yes
Talent	6,282	6,282	0	100.0%	0	1	0	1	Yes	Yes with Discretion
<i>All other areas of county</i>	66,349	64,439	1,910	97.1%	N/A	N/A	N/A	N/A	N/A	N/A
Jefferson County	24,502	23,999	503	97.9%	1	1	1	N/A	Yes	Yes
Culver	1,602	1,602	0	100.0%	0	0	0	0	Yes	Yes
Madras	7,456	7,456	0	100.0%	1	1	1	0	Yes	Yes
Metolius	978	978	0	100.0%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	14,466	13,963	503	96.5%	N/A	N/A	N/A	N/A	N/A	N/A
Josephine County	88,090	77,670	10,420	88.2%	3	3	2	N/A	No	No
Cave Junction	2,071	0	2,071	0.0%	0	0	0	0	Yes	Yes
Grants Pass	39,189	39,189	0	100.0%	2	2	2	0	Yes	Yes
<i>All other areas of county</i>	46,830	38,481	8,349	82.2%	N/A	N/A	N/A	N/A	N/A	N/A
Klamath County	69,413	0	69,413	0.0%	2	3	0	N/A	No	No
Bonanza	404	0	404	0.0%	0	0	0	0	Yes	Yes

Population Covered by CAA RAL Depots – 15 Mile Buffer Distance + Convenience Analysis										
	Total Population (2020 Census)	Population within 15 Miles	Population Beyond 15 Miles	Percent of Population within 15 Miles	Base Target	Enhanced Target	Depots Count	Variance Depot Count	Meets Base	Meets Enhanced
Chiloquin	767	0	767	0.0%	0	0	0	0	Yes	Yes
Klamath Falls	21,813	0	21,813	0.0%	1	1	0	0	No	No
Malin	731	0	731	0.0%	0	0	0	0	Yes	Yes
Merrill	821	0	821	0.0%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	44,877	0	44,877	0.0%	N/A	N/A	N/A	N/A	N/A	N/A
Lake County	8,160	0	8,160	0.0%	1	1	0	N/A	No	No
Lakeview	2,418	0	2,418	0.0%	0	0	0	0	Yes	Yes
Paisley	250	0	250	0.0%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	5,492	0	5,492	0.0%	N/A	N/A	N/A	N/A	N/A	N/A
Lane County	382,971	372,986	9,985	97.4%	10	13	12	N/A	Yes	No
Coburg	1,306	1,306	0	100.0%	0	0	0	0	Yes	Yes
Cottage Grove	10,574	10,574	0	100.0%	1	1	0	1	Yes with Discretion	Yes with Discretion
Creswell	5,641	5,641	0	100.0%	0	1	0	0	Yes	No
Dunes City	1,428	1,428	0	100.0%	0	0	0	0	Yes	Yes
Eugene	176,654	176,654	0	100.0%	6	6	2	4	Yes with Discretion	Yes with Discretion
Florence	9,396	9,396	0	100.0%	1	1	1	0	Yes	Yes
Junction City	6,787	6,787	0	100.0%	1	1	1	0	Yes	Yes
Lowell	1,196	1,196	0	100.0%	0	0	0	0	Yes	Yes
Oakridge	3,206	0	3,206	0.0%	0	0	0	0	Yes	Yes
Springfield	61,851	61,851	0	100.0%	2	3	3	0	Yes	Yes
Veneta	5,214	5,214	0	100.0%	0	1	0	0	Yes	No

Population Covered by CAA RAL Depots – 15 Mile Buffer Distance + Convenience Analysis										
	Total Population (2020 Census)	Population within 15 Miles	Population Beyond 15 Miles	Percent of Population within 15 Miles	Base Target	Enhanced Target	Depots Count	Variance Depot Count	Meets Base	Meets Enhanced
Westfir	259	0	259	0.0%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	99,459	92,939	6,520	93.4%	N/A	N/A	N/A	N/A	N/A	N/A
Lincoln County	50,395	41,405	8,990	82.2%	2	2	2	N/A	Yes	Yes
Depoe Bay	1,515	1,515	0	100.0%	0	0	0	0	Yes	Yes
Lincoln City	9,815	9,815	0	100.0%	1	1	1	0	Yes	Yes
Newport	10,256	10,256	0	100.0%	1	1	1	0	Yes	Yes
Siletz	1,230	1,230	0	100.0%	0	0	0	0	Yes	Yes
Toledo	3,546	3,546	0	100.0%	0	0	0	0	Yes	Yes
Waldport	2,249	0	2,249	0.0%	0	0	0	0	Yes	Yes
Yachats	994	0	994	0.0%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	20,790	15,043	5,747	72.4%	N/A	N/A	N/A	N/A	N/A	N/A
Linn County	128,610	124,820	3,790	97.1%	4	5	3	N/A	No	No
Albany	47,355	47,355	0	100.0%	2	2	2	0	Yes	Yes
Brownsville	1,694	1,694	0	100.0%	0	0	0	0	Yes	Yes
Gates	46	0	46	0.0%	0	0	0	0	Yes	Yes
Halsey	962	962	0	100.0%	0	0	0	0	Yes	Yes
Harrisburg	3,652	3,652	0	100.0%	0	0	0	0	Yes	Yes
Idanha	71	0	71	0.0%	0	0	0	0	Yes	Yes
Lebanon	18,447	18,447	0	100.0%	1	1	0	0	No	No
Lyons	1,202	1,159	43	96.4%	0	0	0	0	Yes	Yes
Mill City	1,617	0	1,617	0.0%	0	0	0	0	Yes	Yes
Millersburg	2,919	2,919	0	100.0%	0	0	0	0	Yes	Yes

Population Covered by CAA RAL Depots – 15 Mile Buffer Distance + Convenience Analysis										
	Total Population (2020 Census)	Population within 15 Miles	Population Beyond 15 Miles	Percent of Population within 15 Miles	Base Target	Enhanced Target	Depots Count	Variance Depot Count	Meets Base	Meets Enhanced
Scio	956	956	0	100.0%	0	0	0	0	Yes	Yes
Sodaville	360	360	0	100.0%	0	0	0	0	Yes	Yes
Sweet Home	9,828	9,828	0	100.0%	1	1	1	0	Yes	Yes
Tangent	1,231	1,231	0	100.0%	0	0	0	0	Yes	Yes
Waterloo	222	222	0	100.0%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	38,048	36,035	2,013	94.7%	N/A	N/A	N/A	N/A	N/A	N/A
Malheur County	31,571	26,823	4,748	85.0%	1	2	1	N/A	Yes	No
Adrian	157	0	157	0.0%	0	0	0	0	Yes	Yes
Jordan Valley	130	0	130	0.0%	0	0	0	0	Yes	Yes
Nyssa	3,198	3,198	0	100.0%	0	0	0	0	Yes	Yes
Ontario	11,645	11,645	0	100.0%	1	1	1	0	Yes	Yes
Vale	1,894	1,852	42	97.8%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	14,547	10,128	4,419	69.6%	N/A	N/A	N/A	N/A	N/A	N/A
Marion County	345,920	343,870	2,050	99.4%	9	12	11	N/A	Yes	No
Aumsville	4,234	4,234	0	100.0%	0	1	1	0	Yes	Yes
Aurora	1,133	1,133	0	100.0%	0	0	0	0	Yes	Yes
Detroit	203	0	203	0.0%	0	0	0	0	Yes	Yes
Donald	1,009	1,009	0	100.0%	0	0	0	0	Yes	Yes
Gates	502	0	502	0.0%	0	0	0	0	Yes	Yes
Gervais	2,595	2,595	0	100.0%	0	0	0	0	Yes	Yes
Hubbard	3,426	3,426	0	100.0%	0	0	0	0	Yes	Yes
Idanha	85	0	85	0.0%	0	0	0	0	Yes	Yes

Population Covered by CAA RAL Depots – 15 Mile Buffer Distance + Convenience Analysis										
	Total Population (2020 Census)	Population within 15 Miles	Population Beyond 15 Miles	Percent of Population within 15 Miles	Base Target	Enhanced Target	Depots Count	Variance Depot Count	Meets Base	Meets Enhanced
Jefferson	3,327	3,327	0	100.0%	0	0	0	0	Yes	Yes
Keizer	39,376	39,376	0	100.0%	2	2	1	1	Yes with Discretion	Yes with Discretion
Mill City	354	0	354	0.0%	0	0	0	0	Yes	Yes
Mount Angel	3,392	3,392	0	100.0%	0	0	0	0	Yes	Yes
Salem	146,139	146,139	0	100.0%	6	7	4	2	Yes with Discretion	No
Scotts Mills	419	419	0	100.0%	0	0	0	0	Yes	Yes
Silverton	10,484	10,484	0	100.0%	1	1	1	0	Yes	Yes
St. Paul	434	434	0	100.0%	0	0	0	0	Yes	Yes
Stayton	8,244	8,244	0	100.0%	1	1	0	0	No	No
Sublimity	2,967	2,967	0	100.0%	0	0	0	0	Yes	Yes
Turner	2,454	2,454	0	100.0%	0	0	0	0	Yes	Yes
Woodburn	26,013	26,013	0	100.0%	1	1	1	0	Yes	Yes
<i>All other areas of county</i>	89,130	88,224	906	99.0%	N/A	N/A	N/A	N/A	N/A	N/A
Morrow County	12,186	10,492	1,694	86.1%	1	1	2	N/A	Yes	Yes
Boardman	3,828	3,828	0	100.0%	0	1	0	1	Yes	Yes with Discretion
Heppner	1,187	106	1,081	8.9%	0	0	0	0	Yes	Yes
Ione	337	337	0	100.0%	0	0	0	0	Yes	Yes
Irrigon	2,011	2,011	0	100.0%	0	0	0	0	Yes	Yes
Lexington	238	238	0	100.0%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	4,585	3,972	613	86.6%	N/A	N/A	N/A	N/A	N/A	N/A

Population Covered by CAA RAL Depots – 15 Mile Buffer Distance + Convenience Analysis										
	Total Population (2020 Census)	Population within 15 Miles	Population Beyond 15 Miles	Percent of Population within 15 Miles	Base Target	Enhanced Target	Depots Count	Variance Depot Count	Meets Base	Meets Enhanced
Multnomah County	815,428	815,297	131	100.0%	14	18	14	N/A	Yes	No
Fairview	10,424	10,424	0	100.0%	0	1	0	0	Yes	No
Gresham	114,247	114,247	0	100.0%	2	3	1	0	No	No
Lake Oswego	2,621	2,621	0	100.0%	0	0	0	0	Yes	Yes
Maywood Park	829	829	0	100.0%	0	0	0	0	Yes	Yes
Portland	650,019	650,019	0	100.0%	9	13	13	0	Yes	Yes
Troutdale	16,300	16,300	0	0.0%	1	1	0	0	No	No
Wood Village	4,387	4,387	0	100.0%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	16,601	16,470	131	99.2%	N/A	N/A	N/A	N/A	N/A	N/A
Polk County	87,433	87,407	26	100.0%	3	4	3	N/A	Yes	No
Dallas	16,854	16,854	0	100.0%	1	1	1	0	Yes	Yes
Falls City	1,051	1,051	0	100.0%	0	0	0	0	Yes	Yes
Independence	9,828	9,828	0	100.0%	1	1	0	0	No	No
Monmouth	11,110	11,110	0	100.0%	1	1	1	0	Yes	Yes
Salem	29,396	29,396	0	100.0%	0	0	0	0	Yes	Yes
Willamina	924	924	0	100.0%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	18,270	18,244	26	99.9%	N/A	N/A	N/A	N/A	N/A	N/A
Sherman County	1,870	1,487	383	79.5%	1	1	1	N/A	Yes	Yes
Grass Valley	149	0	149	0.0%	0	0	0	0	Yes	Yes
Moro	367	367	0	100.0%	0	0	0	0	Yes	Yes

Population Covered by CAA RAL Depots – 15 Mile Buffer Distance + Convenience Analysis										
	Total Population (2020 Census)	Population within 15 Miles	Population Beyond 15 Miles	Percent of Population within 15 Miles	Base Target	Enhanced Target	Depots Count	Variance Depot Count	Meets Base	Meets Enhanced
Rufus	268	268	0	100.0%	0	0	0	0	Yes	Yes
Wasco	417	417	0	100.0%	0	0	1	0	Yes	Yes
<i>All other areas of county</i>	669	435	234	65.0%	N/A	N/A	N/A	N/A	N/A	N/A
Tillamook County	27,390	22,386	5,004	81.7%	1	1	2	N/A	Yes	Yes
Bay City	1,389	1,389	0	100.0%	0	0	0	0	Yes	Yes
Garibaldi	830	830	0	100.0%	0	0	0	0	Yes	Yes
Manzanita	603	0	603	0.0%	0	0	0	0	Yes	Yes
Nehalem	270	0	270	0.0%	0	0	0	0	Yes	Yes
Rockaway Beach	1,441	1,441	0	100.0%	0	0	0	0	Yes	Yes
Tillamook	5,204	5,204	0	100.0%	0	1	1	0	Yes	Yes
Wheeler	422	0	422	0.0%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	17,231	13,522	3,709	78.5%	N/A	N/A	N/A	N/A	N/A	N/A
Umatilla County	80,075	78,907	1,168	98.5%	3	3	4	N/A	Yes	Yes
Adams	389	389	0	100.0%	0	0	0	0	Yes	Yes
Athena	1,209	1,209	0	100.0%	0	0	0	0	Yes	Yes
Echo	632	632	0	100.0%	0	0	0	0	Yes	Yes
Helix	194	194	0	100.0%	0	0	0	0	Yes	Yes
Hermiston	19,354	19,354	0	100.0%	1	1	1	0	Yes	Yes
Milton- Freewater	7,151	7,151	0	100.0%	1	1	1	0	Yes	Yes
Pendleton	17,107	17,107	0	100.0%	1	1	1	0	Yes	Yes

Population Covered by CAA RAL Depots – 15 Mile Buffer Distance + Convenience Analysis										
	Total Population (2020 Census)	Population within 15 Miles	Population Beyond 15 Miles	Percent of Population within 15 Miles	Base Target	Enhanced Target	Depots Count	Variance Depot Count	Meets Base	Meets Enhanced
Pilot Rock	1,328	1,328	0	100.0%	0	0	0	0	Yes	Yes
Stanfield	2,144	2,144	0	100.0%	0	0	0	0	Yes	Yes
Ukiah	159	0	159	0.0%	0	0	0	0	Yes	Yes
Umatilla	7,363	7,363	0	100.0%	1	1	0	1	Yes with Discretion	Yes with Discretion
Weston	706	706	0	100.0%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	22,339	21,330	1,009	95.5%	N/A	N/A	N/A	N/A	N/A	N/A
Union County	26,196	0	26,196	0.0%	1	1	0	N/A	No	No
Cove	620	0	620	0.0%	0	0	0	0	Yes	Yes
Elgin	1,717	0	1,717	0.0%	0	0	0	0	Yes	Yes
Imbler	245	0	245	0.0%	0	0	0	0	Yes	Yes
Island City	1,144	0	1,144	0.0%	0	0	0	0	Yes	Yes
La Grande	13,026	0	13,026	0.0%	1	1	0	0	No	No
North Powder	504	0	504	0.0%	0	0	0	0	Yes	Yes
Summerville	119	0	119	0.0%	0	0	0	0	Yes	Yes
Union	2,152	0	2,152	0.0%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	6,669	0	6,669	0.0%	N/A	N/A	N/A	N/A	N/A	N/A
Wallowa County	7,391	5,844	1,547	79.1%	1	1	1	N/A	Yes	Yes
Enterprise	2,052	2,052	0	100.0%	0	0	1	0	Yes	Yes
Joseph	1,154	1,154	0	100.0%	0	0	0	0	Yes	Yes
Lostine	241	241	0	100.0%	0	0	0	0	Yes	Yes
Wallowa	796	0	796	0.0%	0	0	0	0	Yes	Yes

Population Covered by CAA RAL Depots – 15 Mile Buffer Distance + Convenience Analysis										
	Total Population (2020 Census)	Population within 15 Miles	Population Beyond 15 Miles	Percent of Population within 15 Miles	Base Target	Enhanced Target	Depots Count	Variance Depot Count	Meets Base	Meets Enhanced
<i>All other areas of county</i>	3,148	2,397	751	76.1%	N/A	N/A	N/A	N/A	N/A	N/A
Wasco County	26,670	23,707	2,963	88.9%	1	1	1	N/A	Yes	Yes
Antelope	37	0	37	0.0%	0	0	0	0	Yes	Yes
Dufur	632	632	0	100.0%	0	0	0	0	Yes	Yes
Maupin	427	0	427	0.0%	0	0	0	0	Yes	Yes
Mosier	468	468	0	100.0%	0	0	0	0	Yes	Yes
Shaniko	30	0	30	0.0%	0	0	0	0	Yes	Yes
The Dalles	16,010	16,010	0	100.0%	1	1	1	0	Yes	Yes
<i>All other areas of county</i>	9,066	6,597	2,469	72.8%	N/A	N/A	N/A	N/A	N/A	N/A
Washington County	600,372	599,839	533	99.9%	11	14	12	N/A	Yes	No
Banks	1,837	1,837	0	100.0%	0	0	0	0	Yes	Yes
Beaverton	97,494	97,494	0	100.0%	2	3	2	1	Yes	Yes with Discretion
Cornelius	12,694	12,694	0	100.0%	1	1	1	0	Yes	Yes
Durham	1,944	1,944	0	100.0%	0	0	0	0	Yes	Yes
Forest Grove	26,225	26,225	0	100.0%	1	1	1	0	Yes	Yes
Gaston	670	670	0	100.0%	0	0	0	0	Yes	Yes
Hillsboro	106,447	106,447	0	100.0%	2	3	3	0	Yes	Yes
King City	5,184	5,184	0	100.0%	0	0	0	0	Yes	Yes
Lake Oswego	3	3	0	100.0%	0	0	0	0	Yes	Yes
North Plains	3,441	3,441	0	100.0%	0	0	0	0	Yes	Yes
Portland	1,641	1,641	0	100.0%	0	0	0	0	Yes	Yes

Population Covered by CAA RAL Depots – 15 Mile Buffer Distance + Convenience Analysis										
	Total Population (2020 Census)	Population within 15 Miles	Population Beyond 15 Miles	Percent of Population within 15 Miles	Base Target	Enhanced Target	Depots Count	Variance Depot Count	Meets Base	Meets Enhanced
Rivergrove	50	50	0	100.0%	0	0	0	0	Yes	Yes
Sherwood	20,450	20,450	0	100.0%	1	1	1	0	Yes	Yes
Tigard	54,539	54,539	0	100.0%	1	2	1	0	Yes	No
Tualatin	24,786	24,786	0	100.0%	1	1	1	0	Yes	Yes
Wilsonville	2,142	2,142	0	100.0%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	240,825	240,292	533	99.8%	N/A	N/A	N/A	N/A	N/A	N/A
Wheeler County	1,451	641	810	44.2%	1	1	1	N/A	Yes	Yes
Fossil	447	447	0	100.0%	0	0	0	0	Yes	Yes
Mitchell	138	0	138	0.0%	0	0	0	0	Yes	Yes
Spray	139	0	139	0.0%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	727	194	533	26.7%	N/A	N/A	N/A	N/A	N/A	N/A
Yamhill County	107,722	107,722	0	100.0%	3	4	4	N/A	Yes	Yes
Amity	1,757	1,757	0	100.0%	0	0	0	0	Yes	Yes
Carlton	2,220	2,220	0	100.0%	0	0	0	0	Yes	Yes
Dayton	2,678	2,678	0	100.0%	0	0	0	0	Yes	Yes
Dundee	3,238	3,238	0	100.0%	0	0	0	0	Yes	Yes
Gaston	6	6	0	100.0%	0	0	0	0	Yes	Yes
Lafayette	4,423	4,423	0	100.0%	0	1	0	0	Yes	No
McMinnville	34,319	34,319	0	100.0%	1	2	1	0	Yes	No
Newberg	25,138	25,138	0	100.0%	1	1	0	1	Yes with Discretion	Yes with Discretion
Sheridan	4,639	4,639	0	100.0%	0	1	1	0	Yes	Yes

Population Covered by CAA RAL Depots – 15 Mile Buffer Distance + Convenience Analysis										
	Total Population (2020 Census)	Population within 15 Miles	Population Beyond 15 Miles	Percent of Population within 15 Miles	Base Target	Enhanced Target	Depots Count	Variance Depot Count	Meets Base	Meets Enhanced
Willamina	1,315	1,315	0	100.0%	0	0	0	0	Yes	Yes
Yamhill	1,147	1,147	0	100.0%	0	0	0	0	Yes	Yes
<i>All other areas of county</i>	26,842	26,842	0	100.0%	N/A	N/A	N/A	N/A	N/A	N/A

Table 6

Running Collection Events

As the depot network is built, there may be instances where barriers exist in establishing depots, such as a lack of available commercially zoned properties, or locations that do not immediately meet performance or geographic convenience standards.

As a method of alternative compliance, following the guidelines of OAR 340-090-0640(6)(b), regular collection events will be an important avenue to provide convenient access to collection points for PRO list materials. In all instances where ~~CAA requests, in its quarterly reporting, alternative compliance to use a~~ collection event to satisfy the convenience standard in lieu of a permanent site, CAA will document in its annual report all attempts to identify a permanent site for that jurisdiction.

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In collaboration with community-based organizations (CBOs) and other entities, CAA will ensure that collection events are conducted in areas lacking a permanent depot, prioritizing underserved communities to ensure convenient access to recycling services. Event information will be well promoted in multiple languages and media channels to ensure broad and equitable community awareness.

CAA is committed to working with local governments to identify opportunities for establishing permanent collection sites in each community required to have a collection point under the RMA. If this is not feasible in some locations, CAA may collaborate with local governments to set up mobile collection events at accessible, well-defined locations, with frequencies adjusted to meet community needs. Frequency may be determined based on population, ~~and~~ other community or collection events ~~may be leveraged~~. These events will be scheduled on a predictable basis and advertised through a range of methods, including partnerships with local organizations and targeted media outreach, to ensure broad awareness and encourage participation.

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CAA will also evaluate attendance and feedback from these events to make adjustments that best support community access and convenience. CAA will work with cities and counties to find the most suitable sites for collection events and determine the best time and frequency of hosting events. CAA will work with jurisdictions to develop promotional strategies for the collection events and collect data on utilization. The events will either be staffed by the local municipality and reimbursed by CAA, or by a partner CBO or local COBID certified contractor with experience in waste management. Design for these events will be based on the models of existing Metro area collection events such as Metro Hazardous Waste Rounds Ups, City of Gresham Earth Day Events, Lane County's Plastics Round Ups or James Recycling's recycling collection events and they may be combined to increase participation.

CAA team members and partners have experience conducting similar events in other parts of the U.S. and Canada. The type of event will depend on the community's needs and what other disposal options currently exist. Events will be conducted in accordance with the same performance standards as depot locations (outlined in the Performance Standards section), offering free collection services and collecting covered materials in a way that preserves the quality of the material and prevents risk of litter or loss of materials. CAA will also work with local jurisdictions on strategies that will reduce wait times and vehicle idling to reduce the environmental impact of collection events.

At this juncture, it is difficult to determine what impact the use of collection events would have on material recovery rates and collection targets because it's unclear what percentage of the population will need to be serviced by collection events during the first program plan period. CAA will monitor participation rates for events along with measuring material collected to monitor the impact events might have achieving the collection targets for PRO materials.

Administrative Discretion Relating to Block White EPS Collection

In addition to the alternative compliance requests envisioned and described above for meeting the PRO depot convenience standard requirements over the course of the program plan, Circular Action Alliance is requesting DEQ use administrative discretion to grant a delay in meeting the specific convenience standard requirement for block EPS collection. This action would allow CAA to achieve the convenience standard through a phased approach, with the organization initially building an impactful smaller-scale program and amassing meaningful data while learning how to optimize systems through our experience. The ultimate goal would be the creation of a successful statewide block white EPS collection program by 2032.

CAA proposes a phased approach to EPS collection, initially focusing on the Metro, Eugene, and Tillamook regions, to ensure the development of an effective, data-driven statewide program. By starting with a smaller-scale rollout, CAA can gather critical insights into the types of packaging materials in use, optimize processes for higher efficiency, and avoid costly investments based on incomplete data. This approach enables us to partner with established collection operators to build capacity, refine best practices, and strategically invest in equipment that aligns with actual EPS generation patterns. A phased rollout reduces the risk of stranded assets, such as underutilized densification equipment, and allows for targeted investments that yield long-term, systemic improvements in collection and densification infrastructure. Ultimately, this incremental expansion will allow CAA to build a sustainable, efficient system that better serves the state and its residents, long term. The phased system development approach is described below.

Additionally, CAA is requesting the use of thermal densification, which will allow CAA to achieve better densities, reduce environmental impact in transportation, and potentially be used in the future to process other forms of foamed protective packaging, such as expanded polyethylene (EPE) or expanded polypropylene (EPP).

Finally, CAA is requesting a consideration of an alternate threshold distance to the 75-mile transportation limit in cases where EPS can be used to fill void space in a backhaul with other materials.

CAA is making these requests for administrative discretion and alternative compliance in EPS collection, so that core research questions can be answered that allow for development of a more efficient and sustainable collection system for protective packaging. Important system design questions to be answered include:

- What is the capture rate from residents vs. commercial? Can a system built on commercial volumes more successfully sustain collection of residential volumes?
- What are the most efficient reverse logistics and aggregation opportunities?

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- How much non-EPS protective packaging will be collected in the system and how can that potentially be managed?
- Will markets prove to be stable for densified EPS?
- What are the best practices for operating EPS collection in urban vs. rural areas, particularly when it comes to using mobile units vs. stationary systems?

CAA proposes to undertake the phased approach below for developing the network, with the goal to meet the convenience standard of serving all required communities by 2032. This will allow time to develop the first-of-its-kind statewide recovery system for EPS, building a sustainable model for recovery and allowing for packaging adaptations to occur that may be happening in response to other EPR laws, such as the California packaging EPR law, which might dramatically change the landscape of protective packaging materials. If EPS recovery targets are not met in California by 2032, a dramatic shift in material choices for protective packaging might be made, and the Oregon system might need to further evolve to respond.

Phase One (First 18 Months): Metro, Lane County and Tillamook

CAA will begin its buildout of a block white EPS network with collection sites in the population-dense Metro Portland area and Lane County. The development of this network will take place from July 1, 2025, through the end of 2026, and will achieve the convenience standard for the metro area, Lane County, and Tillamook County by the end of the program plan period.

CAA is in discussions with community-based organization St. Vincent De Paul (SVDP), which currently operates a successful collection and densification program in Lane County. With 10 collection sites and a facility with a thermal densifier, they are experienced at optimizing a multi-site EPS collection program, one which effectively serves the Lane County community and processed 60 tons of EPS in 2023.

CAA has approached SVDP with a proposal to bring 10 to 15 collection sites to the Portland Metro area, along with a second EPS densification center, also in the Metro region.

Additionally, CAA has identified Green Century, a business that currently accepts and recycles EPS in Portland, as a key potential partner in deepening our collection and densification capacity in the Metro region. Generators currently bring EPS to Green Century's Northwest Portland site for recycling, along with electronics and appliances. CAA is in discussions to upgrade Green Century's existing densification equipment and invest in growing the capacity of the company's Portland operation.

Another component of the first phase of CAA's proposed EPS program is focused on enhancing the current EPS collection system in rural Tillamook County. With a higher capacity densifier, an upgrade from cold press to thermal, and additional program investments from CAA, the initiative can expand while gathering critical operational data. The knowledge and best practices coming out of Tillamook County can then help guide an eventual statewide expansion.

During Phase One, and continuing through Phase Two, CAA will conduct targeted assessments in Central and Eastern Oregon to identify significant sources of EPS generation and evaluate where collection and densification programs would yield the most impact.

Phase Two: EPS Program Expansion 1–5 Corridor and Coastal Communities

During the first 18 months of operating our EPS collection and densification program CAA will generate performance data and answer some of the key research questions outlined above. This information will inform the strategies for growing CAA's collection network to communities along the I-5 corridor and west to the Oregon coast. Our Phase Two, beginning in January 2027, will include investments in expanding EPS collection operations to the wastesheds of Lincoln, Coos and Curry Counties along the coast as well as Douglas, Jackson and Josephine Counties to the California border.

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Phase Three: 2029 and Beyond

In the third and final phase, beginning January 2029, CAA will meet the convenience standard through an EPS collection program that includes all of Oregon. CAA is requesting to meet the convenience standard by 2032, which will allow for:

- Optimizing the collection and transportation system design,
- Mapping EPS supplies across commercial and residential generators,
- Identifying the right technologies that enable management of not only EPS, but future forms of protective packaging,
- Allowing the materials changes to occur that might unfold as a result of the California EPR program and other evolutions in policy and markets.

Collaboration with Major Retailers

CAA is also in discussions with major appliance and electronics retailers in Oregon, where large volumes of block white EPS are generated (EPS is often used as a protective material in appliance and electronics packaging). Through partnerships with SVDP and potentially other organizations, CAA will facilitate the placement of large trailers at retailer distribution centers for the collection of EPS from the retailers' back of house operations – the idea is that when new appliances are installed at Oregon homes and businesses, the retailer handling installation will bring EPS used in packaging back to its distribution center alongside the old appliances that have been replaced.

SVDP would then handle collection of both the bulky used appliances and EPS, creating operational efficiencies that align with its charitable mission and revenue model.

As part of this effort, CAA will experiment with filling void space in trailers already hauling used appliances from retailers to drive down the overall impact of transporting EPS from collection sites to densification centers (more information on the void space strategy can be found later in this subsection).

In addition, through these retail partnerships, CAA intends to explore how to use commercial-scale volumes to help build out a system that also captures material from lower-volume generators, such as residents.

Ensuring Safety and Demonstrating Economic Benefits of Thermal Densification

Based on industry experience and market research, CAA believes thermal densification units can be used efficiently and in a way that protects both worker safety and the environment.

St. Vincent De Paul currently operates a block white EPS thermal densification process in Eugene. CAA's review of existing research indicates that emissions during the thermal, or hot melt process are minimal. Further, air monitoring conducted for an Oregon thermal melt operation showed that operator exposure levels for chemicals such as ethyl alcohol, pentane, and styrene were well below OSHA's permissible exposure limits (PEL). Details on the literature reviewed by CAA are available upon request.

CAA will ensure that regular maintenance and operation in accordance to manufacturer guidelines are followed as part of the Depot collector performance standards and audit program.

In addition to its proven safety, thermal densification offers a higher compaction ratio of 90:1, compared to 40:1 for cold-press densification. This nearly doubles the volume of unprocessed material per truckload, significantly improving transportation efficiency. The dense output of thermally densified EPS also has a much higher market value, estimated at \$500 per ton FOB, compared to \$6-25 per ton FOB for cold-pressed EPS.

Finally, if sweeping changes in material selection for protective packaging occur in the next few years, CAA would like to ensure that equipment can be explored that could be used to process a broader range of foamed packaging types. Cold densification systems are not effective in densifying EPE and EPP, meaning if the packaging stream changes over time, there could be a network of ineffective densification equipment deployed across the state. Given the cost of densification units, CAA would like to ensure the units being purchased to serve the system in Oregon have the broadest utility, ensuring we are not leaving stranded assets across the state as the packaging stream changes over time.

Transporting Undensified EPS as Void Fill Beyond 75 Miles

A final request for alternative compliance consideration for EPS involves transporting the material beyond the current 75-mile limit if the material is being utilized to fill "void space."

In such a scenario, undensified EPS would occupy unused, "top" areas within a truck that would otherwise remain empty due to load distribution constraints when transporting bulky items like used appliances. The undensified EPS volume shall not exceed 50% of the truck's total cargo space.

To ensure compliance with DEQ's requirements and prevent misuse, the following controls will be implemented:

- 1. Volume Threshold:**

- a. Undensified EPS must constitute no more than 50% of the occupied space within any truck traveling over 75 miles. Loads will be assessed and documented by transport partners, adhering to this standard.

- 2. Recordkeeping for Periodic DEQ Audits:**

- a. We will establish and maintain detailed records for all transports involving undensified EPS beyond 75 miles. Documentation for each such transport will include:

i. **Date and route of transport**

ii. **Volume estimates** of undensified EPS and other materials

- b. Records will be readily available for DEQ to review at their request for periodic audits, ensuring compliance with the guidelines.

3. **Verification Methods:**

- a. **Documentation:** Transport partners will complete a form detailing the load composition for trips exceeding the 75-mile threshold, specifically noting undensified EPS used as void fill.
- b. **Photographic Evidence:** A photo of each load will be taken to document undensified EPS placement and confirm it remains within the allowable void fill limit.

Given the increased densities achieved by thermal densification and the use of void space in backhaul situations, CAA anticipates positive environmental outcomes of the alternative compliance proposal.

Underserved Populations

CAA will partner with CBOs and other service providers to provide collection events in areas where populations may find barriers to accessing the depot network. These barriers could include lack of vehicle transportation or, lack of awareness due lack of technology such as a phone or internet. CAA will work with the CBOs and the local governments to identify areas that would benefit from such services.

CAA is exploring a partnership with Metro based Trash for Peace to provide these catered event services that would include informing the public of the coming event, set up, collection and transportation of the materials. The exact frequency of events is still to be determined. As most of the gaps in the current projections of depot locations exist in the Metro area, Trash for Peace will be engaging with all three of Metro's counties.

Events will be held in easy to access areas that are within 500 feet of transit services or catered specifically to large, low-income housing developments.

CAA is exploring a number of event partner options outside the Metro region as well.

CAA is also in communication with some of Oregon's Tribal nations about expanding collection services and opportunities to members living outside of jurisdictions receiving system expansion funding for curbside service and depots.

CAA will work with these Tribes to determine service level needs of their members and work with local haulers to coordinate collection opportunities. If areas are far from existing hauling companies, CAA will work with the local Tribe or CBOs to explore creating collection opportunities as requested by Tribes.

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PRO Materials Collection Service to Residential Customers with Disabilities

CAA proposes to partner with the franchised residential haulers across the state to provide at-home collection of PRO Materials to residents with disabilities who are unable to take their materials to collection points. This service will be available to residents of single-family, duplex, triplex and four-plex homes. If similar service cannot be arranged for a qualifying resident in a multi-family unit, CAA will work with a local social services agency to identify a collection solution.

In shaping its approach to this service, CAA reviewed local government policies related to solid waste collection services to residents with disabilities and consulted with the Oregon Refuse and Recycling Association. Key components of the planned service are:

- A resident will apply for the service using an online CAA form, uploading a statement of disability from a physician or social worker, and attesting that no one else in the household could bring the materials to a PRO Materials depot. Residents may also request and submit a hard copy form.
- CAA will review the application and inform the resident and hauler whether the service request has been approved.
- A resident with this service will call their hauler to schedule a collection appointment and place their source-separated and bagged recyclables at a location visible to the hauler on the collection day.
- The collection trucks used will vary by hauler, with the only requirement being that they maintain the source-separation of the materials through to delivery to a PRO collection point. Haulers will use the most cost-effective collection point for delivery of collected materials.
- Haulers will utilize an online CAA portal to submit reports and invoices. CAA will reimburse haulers at a per customer rate to be established.
- CAA will provide haulers with instructional materials for distribution to participating customers, a materials checklist for their customer service staff to use when scheduling a pick-up, and instructional materials for staff to use for reporting to CAA.

Interim Reporting

To ensure that CAA remains on track to meet the convenience standard, CAA will report quarterly to DEQ throughout the program plan period on progress toward meeting the convenience standard, in a manner and format agreed upon by DEQ and CAA, and including fully-substantiated, site-by-site requests for alternative compliance for DEQ review and approval, as well as reporting on progress of the phased approach to meeting the convenience standard for expanded polystyrene. The first report will be submitted on November 15, 2025.

ii. Proposed Approach to Addressing Performance Standards

Once the depot network is developed, it will be CAA's responsibility to ensure that each site is operating in conformance with the performance standards defined in the rules. Oversight includes ensuring:

- Sites and services consistently conform to operating standards
- Depots are free to the public
- Sites are well promoted to maximize awareness and participation
- Infrastructure around the site promotes ease of accessibility
- Quality of recyclable materials is maintained
- Depot sites have a positive impact on the communities and environment within which they operate

CAA proposes to build multiple check points into the process of establishing and maintaining the network in a way that meets all these performance standards.

Criteria for Site Selection

CAA is responsible for reaching out to permitted facilities and existing locations to assess their interest in participating as a PRO depot and their suitability as a site. If a permitted facility or existing depot location is found not to conform to the performance standards, CAA will reconsider the eligibility of that depot to serve as a drop off facility within 12 months of that depot correcting any non-conformance to the performance standards.

CAA will also ensure hours of operation conform to the rules. If a depot is located at a "parent facility", such as a permitted facility, access to the PRO recycling area will be open those same hours. For all other collection points, or "stand alone" sites, CAA will ensure they are open for at least 4 days a week, 8 hours a day and that one of those operating hours falls on a Saturday or Sunday. For events, CAA will work with the event partner, such as a CBO or hosting local jurisdiction, to determine the appropriate duration.

All sites must meet accessibility standards, having ADA compliant recycling areas in prominent places or marked so residents can easily access recycling opportunities. The sites need to also be accessible from a transportation perspective, ensuring roads and public spaces are suitable for residents to reach and maneuver the site safely and for logistics partners to service. For collection opportunities that may be co-located with retail or other commercial activities, clear signage on how to access the recycling system will be made available at entrance points.

Sites will be fenced or have some other enclosure that acts as a litter mitigation measure. All collection areas shall be covered by a roof or have lidded bins that protect the material's quality and prevent water from accumulating in covered material collection areas.

While drop-off sites are largely designed for residential and small-business generators, medium-, and large-sized commercial generators can contact CAA to arrange for larger volume pick-ups, or to explore the installation of a trailer on site to accumulate large volumes of materials on site.

Establishment of Depot Sites and Contracts

As depot locations are brought on board, CAA will assess sites for additional equipment and infrastructure needed to meet the performance standards. Additional staff time necessary to fulfill the operational obligations of the PRO depot network will also be assessed and worked into the payment schedule. Each site will enter into a services contract with CAA, which will outline performance expectations as terms of the contract.

CAA will also document that all operational expectations are in place before a depot location is added to the network. CAA will create a site audit record for each site, demonstrating that each depot location can meet the performance standards at the outset of operating in the program.

Depot staff will undergo initial onboarding training with their CAA point of contact. Staff will receive training in all operational procedures, become familiarized with the system for pick-up requests, and learn where to find resources to promote their services. CAA will provide a depot management handbook outlining the above information to all depot sites.

It is also important to note that CAA's proposed logistics, transportation and aggregation partner for PRO Acceptance list material will use cameras to capture periodic still images of collected materials, providing photographic documentation to monitor volumes and schedule timely pickups. This documentation strategy will also monitor contamination within and around collection areas. CAA will work with collection sites to determine the best compensation method based off the required FTE to handle the PRO materials brought in by the public as well as the square footage need to place sea containers, bins and storage of materials. The FTE compensation rate will be based on living wages according to geographic location. Collection volumes may be low for some sites, in which case factoring a per pound reimbursement might not be practical. To adequately accommodate for the fixed space and labor costs, CAA may need to compensate collection sites based on a flat, per month service fee or alternatively, on a per hour basis. Terms of compensation will be part of the depot consultation process.

A provision of the contract will state that any incidents that could substantially impact services offered or require emergency response be reported to the PRO within 24 hours. That will allow the PRO 24 hours from the time of notification by the collection depot to convey incidents to DEQ within the two business days defined by rule.

Operational Support

Once a depot is operating in the program, CAA will provide resources to support their operations. CAA anticipates offering the following resources:

- Newsletter for depots to keep them informed of the progress of the program, feature information on best practices, and remind them how to contact the team for assistance
- ~~W~~ebinars to ensure operators are familiar with operational procedures
- ~~A~~ media kit that will help depot sites promote the PRO collection opportunities alongside their other services

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- Building and informational, collection container and wayfinding signage as needed
- Access to digital resources like the PRO depot management handbook and digital files for signage

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To ensure residents across Oregon have an equal opportunity to recycle, CAA will make education and promotional materials available in multiple languages. Different language options offered for depot education will mirror the language options used in each jurisdiction for broader program education elements.

Annual Audits

CAA will develop an audit cycle that will include a mix of on-site support and evaluation visits, as well as supplemental desktop audits performed each year for every site. An on-site audit will be conducted within the first three months of bringing a site on board. Each site will also receive an on-site audit during the second calendar year of operation to ensure operations are running smoothly and in accordance with the terms of the contract. In the third year, the site may receive a desktop audit if operations have been running without incident. Desktop audits and on-site audits will assess the same criteria. When a desktop audit is performed rather than an on-site audit, documentation via photos, promotional efforts and compliance documentation will be requested. The same documentation will be gathered by CAA staff when conducting an on-site audit. From there, sites would receive on-site and desktop audits on alternating years.

On-site audits provide an opportunity to build and establish relationships, reengage with site operators and provide additional depot staff training and development. CAA views these visits as opportunities to ensure that depot operators and staff have the information, training, signage and updates they need, in addition to serving as an evaluation of compliance and performance.

Audit Criteria

The audit criteria will include, but is not necessarily limited to:

- Adequate signage
 - Program information
 - Clear messaging that the program is free
 - Hours of operation
 - Contact information for site feedback
- Overall site organization and ease of use for residents
- Record of program promotion throughout the year
- Certificates of insurance
- Demonstration that staff are knowledgeable about the PRO program
- Provision of PRO depot training to all new employees and provision of access to the PRO depot management handbook to all employees
- Documentation of feedback that has been gathered and forwarded to CAA

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Contamination Management

For more PRO depot sites, a CAA-funded staff member will be present to assist the public with drop-offs of PRO materials. This staff member will ensure cleaner material streams and will be an educator to the public about the PRO depot system and what it can collect. Where repeated contamination or illegal dumping issues arise at a site, CAA may request the use of monitoring technology to address issues. Signage shall be prominently placed to offer instructions on management of materials that are not accepted in the collection system.

If a load of material is determined to be too contaminated for an end market, the PRO will explore options to remedy the contamination situation through additional sorting at a CRPF. If additional sorting will not result in the material being marketable, or a remedy is not possible, the PRO will choose to landfill the material and notify DEQ within three business days of disposal. The notification will include a description of:

- The nature of contamination
- The cause of contamination
- The remedy explored to improve the quality of the contaminated load
- The remedy that will be put in place to prevent future contamination

If non-PRO program material ends up at the depot that is in the same or similar category to the existing PRO materials, CAA will instruct locations to mix that material with the PRO materials as it will be destined for the same market. For example, a plastic pool ends up at the collection point. This item will be added and picked up with the other bulky rigid plastics at the depot.

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Compensation

CAA proposes to contract with each depot location for wages and salaries for additional depot employees needed to monitor and maintain PRO materials collection operations.

Compensation Calculations

The compensation offered to each site will include consideration of:

- Staff time, including training
- Employee safety equipment
- Space dedicated to collections, existing and expanded
- Improvements to an existing site
 - Adding more covered area for keeping materials dry
 - Grading and leveling
- Capital costs borne by CAA for PRO materials depots will include:
 - Sea containers and trailers
 - Totes, cages and drums for materials collection
 - Public-facing depot signage

PRO materials depot sites will require employee oversight to ensure a smoothly operated, effective and user-friendly experience. CAA will evaluate and determine, in partnership with the existing operator where

applicable, during the site contracting phases an agreed-upon staffing arrangement. Generally, we anticipate that most depot sites operating at existing recycling facilities will require one quarter of one full time employee (.25 FTE) to ensure that public-facing material locations are checked regularly for incorrectly sorted materials and debris left behind and are accessible for users. Some sites, where the PRO materials depot is operating independently of a preexisting recycling operation, will require additional employee time, potentially two or more full-time dedicated employees. CAA recognizes that these jobs are physically demanding, in an environment that involves exposure to outdoor conditions and handling various recyclable materials, requiring resilience and adaptability. Correspondingly, CAA will provide compensation for the determined staffing level at a living wage, based on geographic location.

Depot sites will also be reimbursed for the portion of their physical plant required to operate PRO depot material collection and storage. For some sites, this will mean a portion of existing buildings, parking lots, outdoor covered spaces or storage facilities. We have established through ORSOP an estimate of monthly site lease fees as compensation for sea container footprint and 53' trailer footprint and additional customer access/operating service space of equal size (container footprint X2) at an average rate of \$2/square foot and onsite material storage facilities.

Site-specific estimates of facility costs and staffing needs will be used in negotiating the terms of compensation among CAA and a prospective collection point service provider, including for the purpose of determining whether or not contracting with an existing depot is possible, pursuant to OAR 340-090-0640(1)(b).

CAA considered instituting a volume-based materials collection incentive program which would reward PRO materials depot collection sites for growing the amount collected. We determined, however, that CAA needs to establish a baseline of volumes collected before creating an incentive. Setting volume-based incentives before the volumes of materials generated at each facility are known would be premature. CAA recognizes the benefits of incentivizing volumes and will consider how to work that into the depot compensation model in the second program plan period. For this first program plan period, CAA will focus on ensuring that the program is well-operated, accessible and impactful and CAA would like to use the first program plan operating data to inform how we structure incentives across regions, different types of depots and operating environments in order to foster meaningful collection results across material categories.

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Events Compensation

Where CAA is finding difficulty siting a collection depot or location, the convenience standard will be met through community collection events. CAA is in discussions with a number of partners with capabilities to operate events statewide as well as experienced community event operators including CBO Trash For Peace and Portland-based recycling business Green Century. Event service provider compensation will be determined using projected event costs developed during the ORSOP process. Several factors are included in determining event rates including event duration, rental equipment needed and staffing requirements. Additional parameters such as event promotion, anticipated event attendance, projected material volumes collected, distance traveled to perform the event, and breadth of services provided may also be considered when negotiating with our event service providers.

Reuse

CAA will explore opportunities for supporting collection of reusable packaging at depot locations and events. As depot locations and events will be staffed, there may be opportunities for collection of reusable packaging.

CAA will consider how PRO collection points could potentially serve as collection points for reusable or refillable packaging that is made to leverage a “return on the go” model. CAA will work with producers to monitor trends in reusable/refillable packaging and anticipate how the depot system can play a role in the return system.

Leveraging the PRO depot system to collect reusable and refillable materials will likely require additional reverse logistics arrangements specific to this packaging. Depending on the status of the material in question, incorporation of reusable packaging into the PRO acceptance collection system may also require material reporting category changes and program plan amendments. CAA will work with producers to assess the full financial and operational implications of managing reusable packaging. Where appropriate trials may be implemented to assess feasibility.

Advanced Notification

Before considering adding any materials for collection at the depot, including a reusable packaging format as described above, CAA would engage with DEQ and local service providers in a process of notification six months before implementation. At that time of notification, CAA will produce data relevant to the proper screening assessment, which relates to sufficient availability of responsible end markets.

Promotion of the PRO Depot Network

The statewide promotional campaign, as part of the broader education and outreach component of this Plan, will focus on three main areas: the USCL, the PRO recycling acceptance list collection materials (including how to take advantage of PRO Recycling material collection opportunities) and reducing contamination (both in terms of proper preparation of materials and avoiding non-accepted materials).

Collection opportunities will be promoted via a CAA-developed website that lists the available depots throughout the state. This will include hours of operation and site accessibility information. Customizable collateral that will be made available to local governments via an online portal and then distributed through their existing channels will also reinforce relevant messaging about depot recycling opportunities.

Educational collateral and campaign material will also highlight the importance of proper preparation of materials for recycling. CAA proposes to use proven motivational messaging to address key issues and inform residents about the new opportunities to recycle materials in their area.

To ensure that materials are accessible and culturally relevant, CAA has built in audience research and consultation processes with local governments, community-based organizations, targeted community focus groups, DEQ and the Oregon Recycling System Advisory Council (ORSAC). This is to ensure that all

educational collateral is informative, well-designed, culturally relevant and actionable. Local governments will also be able to tailor materials to their areas via CAA's online portal.

As communities transition materials from the USCL to PRO Depot collection (e.g., shredded paper, aluminum foil, foil-pressed products and aerosol containers in the metro area), CAA will ensure local governments and service providers have the education and outreach tools needed to inform the community about the changes. These tools and resources will be accessible and customizable within the E&O Portal. CAA intends to reach commercial generators with education about the PRO Depot collection opportunities as part of the statewide education campaign, which will target both residential and commercial generators. Large scale commercial generators of PRO acceptance materials will be encouraged to contact the Oregon team directly to arrange for collection of large volumes.

More information about CAA's proposed approach to education and outreach, including education and outreach specific to the PRO depot network, can be found in the "Education and Outreach" section of the Operations plan.

Equity in Performance Standards and Collaboration with the Community

As mentioned in the Convenience Standards section above, CAA has been in talks with several CBOs around the state that have expressed interest in staffing and maintaining depots or events. Several of the CBOs function as workforce development programs, such as Trash for Peace's Environmental Promotor program or The Arc's Job Training programs for individuals with Intellectual and Developmental Disabilities (IDDs). Working with these CBOs to utilize the management of the depots as a training ground for workforce development aligns with the current goals of many of these programs. Saint Vincent de Paul and James Recycling also have similar workforce development programs tailored to individuals with differing physical and mental abilities. CAA aims to make some of the depot contamination management and other processes obtainable for individuals with differing physical and mental abilities.

Other waste-diversion related organizations such as Habitat for Humanity have expressed interest in partaking in the network. CAA believes locations often referred to as the 'stop before the landfill' work well as a location for PRO material collection. Aligning locations where the public might be bringing other items to donate or dispose of may reduce vehicle traffic and dedicated trips to the depots.

CAA has also been working with TSWAN and EPA Region Ten to communicate RMA opportunities to Oregon's Tribes. These opportunities might include staffing opportunities at local depots as well as expanded recycling opportunities for Tribal Members. Several Tribes have been engaging with CAA since July 2024. CAA will prioritize and continue this work throughout Program Plan implementation.

iii. Start-Up Approach for Establishing the Depot Collection System

CAA has recently completed the ORSOP process with the consulting team at RRS. Below we review past phases of PRO depot system development work as well as detail ongoing and future phases required to start up the PRO depot collection system.

CAA is working with the Oregon Beverage Recycling Cooperative to explore the role the cooperative could play in collecting materials from PRO RAL collection points and aggregating PRO materials at OBRC aggregation sites.

CAA is considering taking a regional approach to building out the depot system, which will aid in transportation efficiencies and consumer education. CAA is committed to meeting the convenience standard requirements by December 31, 2027, and meeting the milestones outlined in Goal 2.

Completed: Phase 1: Preparation (April 2024)

CAA's first phase of work to establish a depot collection system focused on preparing for outreach and engagement. During the preparation phase, CAA focused on:

- Working with Oregon DEQ and other interested parties to identify key information gaps to inform outreach and analysis process, for example, the potential role of transfer stations in the depot network
- Refining the target list of existing and potential depot partners, including identifying overlaps with outreach to local governments and service providers
- Drafting consultation materials e.g., background and planning documents that included explorations of the following for existing depot/drop-off sites including those run by Local Governments/service providers, and new sites:
 - Existing collection provision and capacity (if applicable)
 - Appetite and capacity for expansion (existing and new sites)
 - Estimating site expansion needs and answering questions relating to the PRO acceptance list materials
 - Understanding Education and Outreach provisions and needs

Completed: Phase 2: Consultation, Enhanced Analysis and System Design (May–October 2024)

CAA's second phase of work focused on designing and executing the ORSOP survey and associated research, as well as conducting significant outreach to local governments, service providers and CBOs. CAA's work in Phase 2 included, but was not limited to:

- Proactive outreach to local government and potential partner depot operators, using the following potential methods:
 - Direct outreach, via the ORSOP survey

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- Additional ORSOP follow up outreach conducted by RRS. Follow-up calls and meetings to provide information, answer questions and encourage partnership with potential depot partners
- Securing Letters of Intent (LOIs) for depot sites that have agreed to move forward with partnership
 - Group meetings to facilitate coordination at the watershed level
- In parallel to, and informed by, the outreach and consultation process:
 - Exploring and modeling options for materials management including aggregation, transportation, sorting, and Responsible End Market management, informed by learnings from survey and other outreach
 - Refining the GIS mapping work CAA has commissioned IncaTech ~~for~~ to provide key data and insights relating to depot distribution, accessibility and distances
 - Developing a detailed approach to meeting performance standards, further developing and refining the initial proposals outlined in this submission
 - Refining the plan for achieving collection targets and adjusting corresponding aspects of the program plan
- Liaising cross-functionally on Education and Outreach needs
- Identifying suppliers necessary to provide equipment for Oregon's PRO depots, including sea containers adapted for material collection and sortation tools such as totes and cages
- Conducting foundational conversations and early discussions with logistics, transportation and aggregation partners
- Connecting and identifying partnership opportunities with CBOs, key retailers and private businesses conducting work in materials recycling
- Engaging with community event organizers to develop plans for PRO material collection events
- Working with RRS on cost modeling for PRO depot system build out and ongoing operations
- Conducting responsible end market research

In Progress: Phase 3: Revised Draft Development and Iterations (November – December 2024)

Informed by ORSOP results and cost modeling, additional outreach, and feedback from interested parties, CAA is updating its plans for the PRO acceptance list collection system.

Phase 4: Operationalization and Onboarding (January–June 2025)

Subject to DEQ approval of the CAA program plan, CAA will focus on the operationalization of the Oregon PRO depot network. Activities will include, but will not be limited to:

- Finalizing ~~contracts~~ with local governments, service providers and end markets
- Finalizing the launch of reporting and accounting systems while onboarding key partners
- ~~Confirming~~ end markets

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Phase 5: Launch

Beginning July 1, 2025, CAA will begin to launch the PRO depot network, including working with sites currently collecting PRO materials. CAA will offer financial support for collection of those materials and work to eventually transition custody of those materials to CAA over time. This transition will be done in a way that avoids disruption to current collection services. Over the course of the program plan CAA will on board additional collection sites to fully achieve convenience standards. Continued education and outreach efforts will ensure accurate information for residents regarding depot location, depot accepted materials, proper preparation of materials for recycling and contaminants to avoid.

iv. Proposed Depot Collection Targets

CAA has developed initial proposed collection targets for the PRO depot network. Information from Cascadia's [Overview of Scenario Modeling: Oregon Plastic Pollution and Recycling Modernization Act](#) (referred to from here on as the "Cascadia report") was used as one key resource to generate the values in the following section. Because the Scenario Modeling did not provide adequate detailed data on a number of material formats, supplementary data from depot programs in Ontario, Canada (the Resource Productivity and Recovery Authority for general blue box materials and the Orange Drop program for hazardous materials) were referenced.³

For the purpose of simplifying equations to demonstrate estimated collection rates per location, the following section will reference a number of depot locations. In this section, the term "depot" is used to represent physical locations, events and curbside services for PRO materials as explained in the *"Proposed approach to meeting convenience standards"* section of the Program Plan. Strictly for purposes of calculations here, but pending a number of considerations going forward, the table and text below use 173 sites against projected collected tons.⁴ The numbers are presented as an average per site per year, while recognizing that, in reality, some sites will collect more material than others.

For purposes of projecting collection targets in this section and subject to additional analysis in future versions of this Plan, CAA also assumes that 15% of the Oregon population will participate in depot and related services. CAA acknowledges concerns about assuming low participation rates. In its implementation of the depot system, CAA will endeavor to optimize participation and to use data from implementation and from its reporting to DEQ to adjust its projections. Curbside audit data will also indicate the disposition of material that might be redirected to depot collection (and overall help understand generally how to increase recycling rate).

While there are, data available for a handful of high-performing depots in Oregon and Washington, a solid data set for standard performance is lacking. Without a precedent for this kind of system being implemented at this scale in the U.S., and with depot implementation occurring over the course of the program plan period, CAA is choosing to use a more conservative approach to initial collection targets. CAA has every intent of maximizing volume collection through depots to increase collection rates through convenience and education and improving cost efficiencies for producers.

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³ <https://stewardshipontario.ca/wp-content/uploads/2022/06/SO-2020AR-FINAL-002-3.pdf>

⁴ Variables that will affect or determine the final number of collection sites include but are not limited to 1) the percentage of local governments agreeing to host sites, 2) DEQ's flexibility in meeting convenience standards by city, 3) value of curbside collection to displace number of depots, 4) number of sites that can accept all materials versus a more limited range, 5) materials management standards for aerosols and pressurized containers as HHW, 6) the ability to use existing film drop-off points at retailers, and 7) the ability to substitute events for sites.

Proposed Collection Targets and Rates

Material	Proposed Collection Targets and Rates	Average Pounds Per Participant Per Year	Average Tons/Year Per Collection Point
Polyethylene Film Packaging	1,950 tons (5.9% collection rate)	6.16	11.27
Aluminum Foil and Pressed Foil Products	390 tons (6.2% collection rate)	1.23	2.25
Block White Expanded Polystyrene	490 tons (9.2% collection rate)	1.55	2.83
Polyethylene (PE) and Polypropylene (PP) Lids and High-Density Polyethylene (HDPE) Package Handles	290 tons (10% collection rate)	0.92	1.68
Plastics Buckets, Pails, and Storage Containers	975 tons (15% collection rate)	3.08	5.64

Table 7

Material-Specific Discussion

Polyethylene Film Packaging

Data from the Cascadia report suggest approximately 66,000 tons of polyethylene (PE) film were generated in 2023. Assuming 50% falls within the RMA scope⁵, approximately 33,000 tons are generated and available for collection. An estimated 1,950 tons will be collected per year, which is a number consistent with data from available Canadian depot programs. Consumer confusion over flexible films may result in a mix of film resins being captured at the collection points.

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⁵ This assumes that 50% of PE film is out of scope because it is generated as wrap by non-RMA retail, distribution center and industry sources. This estimate aligns with other industry sources, for example The Recycling Partnership capture data, accounting for some increases due to commercial volumes but also some decreases due to plastic bag bans in Oregon. Note that this same generation figure is used in the denominator of the plastics recycling rate calculations below.

Overall, the collection rate is estimated to be approximately 5.9%. An average of 11.272 tons are expected to be collected per each of the collection points in the network, at an estimated average of 6.16 pounds collected per participant per year. As part of the depot network for film collection, CAA will continue to reach out to the retailers currently collecting film in the state to see which locations may be voluntarily added to the PRO collection network for film.

DEQ designated PE film as a PRO depot material due to concerns surrounding the material's compatibility with the existing recycling system. While not challenging this decision, CAA believes that this material could eventually be introduced into the USCL list and that improving long-term collection rates will likely be necessary to meet statewide plastic recycling goals.

As such, CAA will work with Oregon processing facilities to review strategies for management of PE film as well as adding non-PE films over time. Assessment may include the implementation of research opportunities once the Program Plan period commences to better understand opportunities. Meanwhile, CAA also plans to further investigate the volume of PE film material flowing through depots, the commingled stream (as contamination) and specialized collection services to inform potential research and trials while meeting its obligation to ensure the disposition of this material to REMs.

Aluminum Foil and Pressed Foil Products

The Cascadia report provided no specific generation estimates for aluminum foil and pressed foil products. Estimates from other sources, including The Recycling Partnership (The Partnership), suggest 6,300 tons of residential material were generated in 2023. Additional tonnage is generated by the non-residential sector but there is no data source available to determine that figure. Based on The Partnership's estimates for collection, corroborated by available information from Canadian depot programs, CAA estimates that approximately 390 tons of aluminum foil and pressed foil products will be collected through PRO depots (Cascadia's report suggested only 50 tons may be collected as it is common for residents to place their aluminum foil products in their curbside container, but this figure seems too low. CAA's projected Depot collected tonnage is almost 8 times the curbside total projected by Cascadia).

A general trend towards grocery products moving away from aluminum foil trays into polycoated boxboard formats may impact the volume of foil products generated over time. Less expensive, freezer-safe and microwave-safe, boxboard trays are increasingly replacing aluminum foil products. Provided that assumed participation rates remain the same, the estimate of collected tonnage may become aggressively high over time.

Overall, the collection rate is estimated to be approximately 6.2%. An average of 2.254 tons are expected to be collected per each of the collection points in the network, at an estimated average of 1.23 pounds collected per participant per year.

Block White Expanded Polystyrene (EPS)

The Cascadia report suggests approximately 5,300 tons of foam polystyrene were generated in 2023. However, the report noted there was some downward pressure on EPS for generation. Using available data,

adjusted for recent reductions in EPS usage suggests approximately 490 tons will be collected [when the collection point network is fully built out in 2032](#). Cascadia's model scenarios had projected a recycled tonnage of 300 tons/year (Scenarios 12 and 13); 490 tons increases that estimate by almost two thirds.

This estimate is consistent with data available from depot programs in Canada. It should be noted that producers utilizing EPS packaging are under pressure to replace it because of the perception of its impact on ocean beaches and marine litter. EPS is being replaced by molded pulp forms, corrugated cardboard forms and expanded PE and PP foams. Therefore, the collection estimate may be on the high side if these other cushion packaging forms continue to make inroads.

Overall, the collection rate is estimated to be approximately 9.2%. An average of 2.83 tons is expected to be collected per each of the collection points in the network, at an average estimated 1.55 pounds collected per participant per year. CAA will also be approaching enhanced recycling service programs, such as Recycle+, to offer management of those collected materials, like EPS, to ensure they are recycled by REMs. These volumes may also be included in the PRO annual recovery calculations.

PE and PP Lids and Caps and HDPE Package Handles

There ~~are~~ little available data on generation of these materials as typically both ~~materials~~ are part of a larger tubs and lids collection program in many jurisdictions. Based on 7.5% of the weight of HDPE and PP bottles, tubs and lids captured in selected Canadian programs, 290 tons are expected to be collected through the collection point network. Overall, the collection rate is estimated to be approximately 10%. An average of 1.676 tons are expected to be collected per each of the collection points in the network at an estimated average of .92 pounds collected per participant per year.

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DEQ has included PE and PP lids on the PRO depot collection list due in large part to sortation concerns (they are permitted on the USCL when screwed or snapped onto containers). Realistically, caps and lids will likely have low collection rates, given the time cost associated with households having to collect them and drop them off at designated depot drop-off points. However, CAA will ensure extensive education and promotional materials are distributed to direct people to take their caps and lids to local drop-off depots.

CAA believes this material, inclusive of HDPE package handles, should eventually be introduced into the USCL list, as lids and caps that are screwed or snapped onto containers are already an accepted USCL material. CAA is in contact with an Oregon-based manufacturer of HDPE package handles that has completed further CRPF-focused studies since the rulemaking process. CAA proposes to discuss the findings of this new research with DEQ and Oregon CRPFs, as well as ~~explore~~ other research needs, potential design improvements among producer members and ways of better communicating to residents once the Program commences, with a view to making the case for their inclusion on the USCL.

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Plastic Buckets, Pails and Storage Containers

The Cascadia report does not provide categorization or other levels of granularity that produces a generation figure for plastic buckets, pails and storage containers. For purposes of projecting a collection target, it is assumed approximately 6,500 tons of this material are generated per year. Some of this material

is likely currently found in curbside recycling loads in Oregon, but CAA will focus education on driving the right materials to depot locations. At depots, it is estimated that approximately 975 tons will be collected, although this estimate is higher than data available from depot programs in Canada.

Overall, the collection rate is estimated to be approximately 15%. CAA expects 5.636 tons to be collected on average per each of the collection points in the network. An estimated 3.08 pounds per participant per year will be captured.

Glass

Glass currently collected in Oregon via separated curbside streams totals upwards of 38,000 tons annually. CAA is committed to supporting the continuation of curbside glass recycling in communities where these services are already available. CAA has consulted with DEQ and determined that an incentive rate equal to the estimated cost of collecting glass through depots should be offered to communities that choose to maintain curbside glass collection. Based on the estimated costs to manage glass in the Cascadia report, CAA will initially offer a \$77/ton incentive to local governments or their designated funding recipient for the incentive. CAA will reevaluate and adjust this rate annually to ensure it remains aligned with current depot collection costs.

Additional glass bottles and jars are expected to be collected through new communities getting access to glass recycling through depots. Many residents in more rural areas, or who self-haul in Oregon, already take glass to their local depots for recycling. Through an enhanced public education and promotion campaign, CAA estimates that an additional 3,100 tons of glass, for a total of approximately 41,100 tons, will be collected through the network of collection points and on-route collection where local governments choose to preserve those services (subject to consultations between CAA and the local governments). This estimate is consistent with the estimates provided by Cascadia. Overall, with an estimate of 77,000 tons of glass available for collection, this translates to an estimated collection rate of 53%; eight percentage points higher than the required rate of 45% under the program.

Challenges associated with glass contaminants in the commingled stream are well understood by CAA and will inform the education and outreach strategy. Given that glass bottles are used in food contact applications, relevant education and outreach will also address appropriate disposal practices in case of high levels of food contamination and will mirror that of delisted materials with similar use cases, such as aluminum foil.

Steel and aluminum aerosols and single-use pressurized cylinders

With recently adopted rules delaying the inclusion of aerosols and pressurized cylinders on the PRO list until 2028, CAA has removed discussion of those materials from this portion of the plan. In the Materials Strategy section below, CAA notes that a program plan amendment will be submitted to propose on-ramping of empty, non-hazardous steel and aluminum aerosol materials onto the USCL. If DEQ's intent is to add pressurized cylinders to the PRO list in 2028, CAA will assess the practicability of managing those materials and will share findings in a later program plan.

Supporting the Oregon statewide plastics recycling rate (ORS 459A.926)

The state of Oregon has established a statewide recycling goal for plastic packaging and plastic food serviceware, with targets of:

- At least 25% by 2028
- At least 50% by 2040 and in each subsequent year, and
- At least 70% by the calendar year 2050 and each subsequent year

The establishment of the statewide PRO depot network along with the USCL will significantly increase access and opportunity uniformly across the state for all Oregonians. The transportation reimbursement to local governments and their service providers will also serve as an economic equalizer across the state, addressing an existing and significant barrier to plastics recycling in more rural parts of Oregon.

CAA expects the increase in access to recycling for a greater range of plastic products, coupled with the continued success of other recycling programs, such as OBRC, to allow the state to reach the first plastics recycling goal of 25% by 2028.

c. Materials Strategy

CAA acknowledges that specific materials need special attention and potential action to help in the achievement of this plan's objectives and goals, as well as the goals of the RMA. These activities connect to the objectives relating to addressing packaging impacts, the expansion of recycling opportunities, the achievement of the plastics recycling goal, and the utilization of responsible end markets.

Many CAA members have made significant investments to support the successful collection and recycling of certain materials nationally and, in many cases, in Oregon specifically. As CAA works to address packaging impacts, the expansion of recycling opportunities, and the achievement of recycling goals and targets, the organization is committed to further leveraging work being done by existing material-focused groups and organizations where applicable. Examples of this type of work include The Recycling Partnership's PET Recycling Coalition and the Poly Coated Paper Alliance. It is a priority of CAA to avoid unnecessary duplication of efforts.

CAA is also committed to exploring opportunities to achieve the broadest possible system benefits from any agreed-upon and funded system interventions. For example, if any investments are made in CRPFs in Oregon, CAA proposes to work with CRPFs to agree upon when and whether or not these may stand to benefit more than one material category and evaluate fee structures to fund investments.

In addition to the specific material actions identified below, CAA will continue to work with decision makers in reviewing other RMA material issues and options. For example, CAA noted support in its Phase I RMA Rules submission for the inclusion on the USCL of PE and PP lids and caps and HDPE package handles CAA will work on a specific action plan in relation to these materials, and the group will continue to assess these materials and potentially other USCL additions with Oregon interest holders in the context of other materials management discussions. All recommendations for the addition of other materials to the USCL or recommendations for trial assessments of other materials will be presented as program plan amendments within 2025, unless otherwise noted. The program plan amendments will showcase the holistic approach taken to ensure materials will be sorted, recovered and sent to a responsible end market. The amendments will include details on timeline, funding and investments needed, as well as any interim steps necessary.

To effectively improve collection and recycling in Oregon in accordance with the RMA, several material-specific issues must be addressed. In this section, CAA reviews:

1. Proposed additions to the USCL
2. SIMs on the USCL
3. SIMs on the PRO Recycling Acceptance List
4. Proposals to engage on commingled collection of some materials on a trial basis
5. Initial plastic recycling rate projections

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i. Proposed Additions to the USCL

Transparent Blue and Green PET Bottles

Material Status

DEQ only included clear PET bottles on the USCL. However, CAA understands from interested party discussions that transparent blue and green PET bottles are widely recycled and CAA recommends that transparent blue and green PET bottles be added to the USCL by July 1, 2025.

There is demand for transparent blue PET bottles, which reclaimers can use to counteract the gray color of rPET derived from clear bottles. CAA understands through discussions with industry participants that transparent blue PET bottles are often combined with transparent green PET bottles with minimal impact on end-market suitability.⁶

CAA presumes that all CRPFs, that have not yet already done so, will invest in optical sorting equipment using the processor commodity risk fee funding, and will manually sort the materials in the meantime. CAA expects CRPFs to make all necessary equipment purchases by the end of 2026. Given that Oregon is a deposit state, with many transparent blue and green bottles collected for recycling via redemption centers, CAA anticipates that adding transparent blue and green PET bottles to the USCL will add a relatively small volume of material to CRPFs.

Performance Against ORS Criteria

Criteria	Performance
The stability, maturity, accessibility and viability of responsible end markets	Consultations with reclaimers clarified that transparent blue and green PET bottles are routinely and successfully routed to established, stable end markets in the Pacific Northwest Region and other parts of the U.S. Also of note, APR and ISRI bale specifications ⁷ are inclusive of transparent blue and green PET bottles with no limitations on either. CAA will monitor and consistently engage with reclaimers to understand and will assess how to address any issues that arise in processing or marketing this material.
Environmental health and safety considerations	Transparent blue and green PET bottles do not present any immediate or substantial health and safety concerns on the health or safety of CRPF operators.

⁶ Interviews with ORPET and email exchange with NAPCOR, APR, and The Recycling Partnership.

⁷ APR's model bale specifications for PET bottle with PET thermoforms and APR and ISRI's model bale specifications for PET bottle bales without PET thermoforms state that transparent green and transparent blue PET are an acceptable part of a model PET bale. See APR's [Model Bale Specification: PET Bottles \(No PET Thermoforms\)](#), APR's [Model Bale Specification: PET Bottles with PET Thermoforms](#), and ISRI's [Bale Specification: PET Bottles \(No PET Thermoforms\)](#). Documents accessed on 02/22/2024.

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The anticipated yield loss for the material during the recycling process	Yield loss for transparent blue and green PET bottles is not significantly different than the yield loss during reclamation of clear PET bottles, which can be minimized by optimizing equipment and processes.
The material's compatibility with existing recycling infrastructure	Transparent blue and green PET bottles are already collected and sorted successfully from commingled streams in Oregon and in the state's deposit system.
The amount of the material available	There are little available data on the generation of transparent blue and green PET bottles relative to clear bottles. Industry sources indicate that between 5 and 10% of PET bottle bales are transparent blue and green bottles. Some major beverage industry companies are switching some historically transparent green bottle brands to clear, which may reduce the fraction of transparent green over time.
The practicalities of sorting and storing the material	Optical sorting equipment at CRPFs will effectively sort transparent blue and green bottles with clear bottles, and typically the material is stored and baled together. PET recyclers might then sort PET by colors according to the different end use applications such as bottle (requires clear material) or strapping (using green materials). ⁸ CAA presumes that all CRPFs, that have not already done so, will invest in optical sorting equipment using the processor commodity risk fee funding by the end of 2026, and will manually sort the materials in the meantime.
Contamination	There are likely no contamination issues that are specific to the acceptance of transparent blue and green PET bottles. In fact, industry specification standards accept transparent blue and green PET materials. ⁹
The ability for waste generators to easily identify and properly prepare the material	Transparent blue and green PET bottles are easily identifiable by waste generators. Transparent green and blue PET lookalikes made of other resins are also uncommon.
Economic factors	The existing market economics surrounding PET bottle recycling account for the value of transparent blue and green PET bottles and have demonstrated a viable amount of economic productivity.
Environmental factors from a life cycle perspective	It has been demonstrated by the Association of Plastics Recyclers and NAPCOR using LCA analysis that recycling plastic bottles, including transparent blue and green bottles, delivers a substantial net environmental benefit.

Table 8

⁸ APR's model bale specifications for PET bottle with PET thermoforms and APR and ISRI's model bale specifications for PET bottle bales without PET thermoforms state that transparent green and transparent blue PET are an acceptable part of a model PET bale. See APR's [Model Bale Specification: PET Bottles \(No PET Thermoforms\)](#), APR's [Model Bale Specification: PET Bottles with PET Thermoforms](#), and ISRI's [Bale Specification: PET Bottles \(No PET Thermoforms\)](#). Documents accessed on 02/22/2024.

⁹ <https://plasticsrecycling.org/images/Markets/APR-BaleSpec-PETBottle-WithThermoforms.pdf>

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ii. Proposed Future Additions to the USCL through Forthcoming Program Plan Amendments

In addition to taking steps to establish universal adherence to the currently approved USCL, CAA is proposing pathways for some other materials to be added to the USCL. CAA will put forth plan amendments for materials to be added to the USCL. The program plan amendments will showcase the holistic approach taken to ensure materials will be sorted, recovered, and sent to a responsible end market. The amendments will include details on timeline, funding and investments needed, as well as any interim steps necessary. One program plan amendment will be submitted in 2025, which is expected to include the on-ramping proposals and strategies for

- PET thermoforms,
- PP and PE lids
- HDPE package handles
- Aluminum foil and pressed foil products
- Empty, non-hazardous aerosols

In the meantime, CAA is issuing the following sections to signal such future action.

The team has performed qualitative research to inform this section of the program plan, including interviewing CRPFs and reclaimers. This section of the program plan reflects information gathered through that qualitative research.

PET Thermoforms

Material Status

Aside from PET tubs, most PET thermoforms have not been included on the USCL, and DEQ has classified them as a SIM. CAA intends to take steps that will justify the addition of those PET thermoforms to the USCL list, which, in turn, will encompass CAA's obligations to address the concerns raised by Oregon DEQ via the SIMs list. CAA proposes that appropriate actions be taken to include PET thermoforms on the USCL by December 31, 2027. This program plan signals a forthcoming proposal by plan amendment to add PET thermoforms to the USCL.

DEQ's overall material collection determination has kept PET thermoforms (with the exception of PET tubs) off both the USCL and PRO depot lists, meaning these materials will not be collected as a part of curbside commingled streams. However, studies across the country find that even when *not* accepted as a part of curbside commingled collection, thermoforms can make up to 10% of an average PET bale.⁸ Receiving more specific resin or format detail from DEQ's inbound composition data will help CAA understand the current volumes of PET thermoform materials entering CRPFs. To minimize the loss of this thermoform material to CRPF residue or other inappropriate bales, CAA will engage with CRPFs to implement sorting practices that route this material to proper bales and to facilitate solutions to any related market issues.

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Under CAA's proposal, PET thermoforms would ultimately be collected statewide as part of commingled curbside streams and would be processed and sent to responsible end markets (REMs) by CRPFs. In the interim, CAA will engage with the specialized subscription-based collectors of PET thermoforms and CRPFs to understand the volumes and processing picture for those materials – and to ensure REMs are being utilized.

Performance Against ORS Criteria

Oregon DEQ excluded PET thermoforms from the USCL based on a set of key criteria in ORS 459A.914(3). Chief among DEQ's concerns is a lack of consistent, responsible end market demand for the material, which in turn has caused limited CRPF acceptance and inclusion in curbside programs. The table below provides information to address the key challenges for PET thermoforms, referencing the specific determination criteria outlined in ORS 459A.914(3). The information has been gathered through ongoing research and engagement with a wide range of interest holders involved with PET thermoform recycling issues (more details can be found in Appendix D).

Criteria	Performance
The stability, maturity, accessibility and viability of responsible end markets	<p>Reclaimer investments and interest in PET thermoform recycling are dynamic and growing, with regional end markets available to Oregon CRPFs and new markets actively developing.</p> <p>CAA will explore the market interventions that may be necessary to facilitate getting PET thermoforms to responsible end markets.</p> <p>CAA also acknowledges the role it may need to play in directing existing PET thermoform collection (e.g., via specialized collection services) to REMs while PET thermoforms remain non-USCL materials.</p> <p>Further, CAA notes there currently is market demand for thermoform-derived rPET (most prominently by berry company Driscoll's) that ostensibly exceeds the current supply of rPET derived from thermoforms. More producers and converters may join this existing end user in demanding thermoform-derived rPET. The details of this demand scenario and its impacts on reclaimer investment and active sourcing of thermoform material from CRPFs is one element of CAA's overall PET thermoform plan, and CAA will continue to explore market realities.</p>
Environmental health and safety considerations	<p>PET thermoforms do not present any immediate or substantial health and safety concerns to the recycling process. Concerns with PET thermoform reclamation include water usage and wastewater management. CAA proposes to examine water consumption in PET thermoform reclamation as part of its REM verification and, as needed, develop interventions to reduce water consumption and improve usage of best practices in wastewater treatment.</p>
The anticipated yield loss for the material during the recycling process	<p>Yield loss during reclamation includes both the intended removal of non-PET materials and the unintended loss of PET. The removal of non-PET items during pre-sorting at the reclaimer causes an unavoidable simultaneous loss of erroneously removed PET. Both forms of yield loss at pre-sorting can be minimized by implementing more effective sorting equipment and procedures at CRPFs. Reclaimers also experience loss of PET due to the generation of fines, which tends to be greater in PET thermoform reclamation than PET bottle reclamation. Reclaimers can minimize yield loss due to fines generation by implementing best practices and optimizing equipment and processes.</p>
The material's compatibility with existing recycling infrastructure	<p>To date, only two Oregon CRPFs are accepting and marketing PET thermoform material gathered through specialized collection programs separate from curbside commingled collection, with one other recycling services company receiving and marketing PET thermoform material collected at retail locations. The current lack of acceptance in</p>

	municipally managed collection programs is a result of a historical lack of scaled end market demand, which has only recently begun to improve. CAA proposes to address the nexus of CRPF acceptance/reclaimer demand with the goal of creating the condition for universal collection.
The amount of the material available	Information submitted by various interested parties in Oregon's rulemaking and material lists technical work group process solidly documents the established, scaled presence of the PET thermoform material in the packaging stream.
The practicalities of sorting and storing the material	PET thermoform sortation and storage at CRPFs is an established practice, most prominently in California. CAA proposes to explore the need for CRPF investment in this equipment and to facilitate this as appropriate.
Contamination	Contamination results from mistaken public recycling of lookalike materials and design issues with PET thermoforms, including the use of recycling-incompatible glues and labels. An additional challenge can arise from residual food waste on PET thermoforms. CAA proposes to develop mechanisms to address and minimize all these challenges through education and outreach efforts.
The ability for waste generators to easily identify and properly prepare the material	CAA proposes to develop mechanisms designed to reduce the presence of lookalikes in the packaging stream (without creating adverse environmental impacts) as well as clear education to help generators correctly identify the materials that should be placed in commingled recycling. This is another area in which detailed DEQ data on resin/format materials inbound to CRPFs will be very helpful in addressing the issue.
Economic factors	While there are no direct measurements of PET thermoform value marketed by CRPFs, PET thermoform bales marketed by California MRFs have consistent positive value, as demonstrated by RecyclingMarkets.net . Similarly, Plastic Recycling Corporation of California (PRCC) 's website indicates thermoform-only bales trade at positive value and that B grade bales with thermoforms trade at a slightly lower rate than B grade bottle bales (3 cents/pound difference in August 2024). ¹⁰ If this value translates to Oregon when PET thermoforms are collected and processed, it could improve the current "blended value" of all processed materials. CAA proposes to develop market-related mechanisms that will help to guarantee the value of PET thermoform material to CRPFs. Once established in collection, CAA's PCR payments will help support PET thermoform sortation and marketing.
Environmental factors from a life cycle perspective	NAPCOR has demonstrated through Life Cycle Analysis that recycled PET resin has substantially better environmental performance over virgin PET, which underscores the importance of collecting and recycling generated PET thermoforms.

Table 9

CAA submits that PET thermoforms have a positive trajectory in relation to the challenges detailed above and that concerted action to be further described in a subsequent plan amendment will encourage that trend, thus facilitating the addition of PET thermoforms to the USCL.

¹⁰ Based on values indicated on <https://prcc.biz/pricing/> accessed on February 5, 2024.

Interim Preceding Program Plan Amendment Steps and Timeline for PET Thermoform Inclusion on USCL

As part of its pending plan amendment, CAA will continue to take the following steps to facilitate inclusion of PET thermoforms on the USCL:

1. Explore providing technical and financial assistance to CRPFs to receive and sort PET thermoforms for shipment to responsible end markets
2. Explore mechanisms to facilitate end market demand for PET thermoforms to ensure that all CRPFs gain the continuous ability to send PET thermoforms to REMs
3. Research and identify mechanisms to address design issues that hinder PET thermoform recyclability
4. Identify effective means to educate generators on look-alike packaging so that those materials are excluded from collection.
5. Analyze and take steps to address any issues related to material value received by CRPFs once PET thermoforms are added to the USCL

With the implementation of the action steps outlined above during the first Program Plan, supported by the forthcoming plan amendment, CAA proposes that PET thermoforms can be considered for addition into USCL on December 31, 2027. In the interim, CAA will work to ensure that current thermoform collection (e.g., via specialized collection services) are directed to REMs by coordinating with the collectors, their material processors and the markets the processors are using.

CAA financing for activities related to the potential inclusion of PET thermoforms that are currently not accepted for recycling will be managed through the collection of fees applied to these materials. This fee setting principle will be applicable to material management development costs associated with other materials. CAA will allocate specific material development costs to those specific materials through the fee setting process.

Other Materials

Additional Materials Intended for USCL by Plan Amendment During Program Plan Period

- PP and PE lids
- HDPE package handles
- Aluminum foil and pressed foil products
- Empty, non-hazardous aerosols



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Additional Materials Intended for USCL in Future Program Plans

Spiral Wound Containers

CAA will continue to research the acceptance of these materials by local end markets and determine if a future program plan amendment to add spiral wound containers to the USCL would be appropriate.

iii. Specifically Identified Materials on the USCL

Some materials that are included on the USCL are also considered SIMs by DEQ. As these materials will require particular attention, CAA proposes implementation of the following strategies outlined in the following subsections by material type to address relevant recyclability challenges.

As part of CAA's overall plan for education and outreach, local governments and their service providers will have the ability to customize education and outreach materials via CAA's education and outreach portal, enabling them to plan, design and deliver phased messaging related to SIMs collection in their communities. As the USCL evolves, CAA will develop and make available specific assets to support the education and outreach for each SIM, which may include, but will not be limited to, sample text and imagery for use in customized collateral, and text and visual messaging for social media, newsletters, and websites.

PET Thermoforms

CAA acknowledges that thermoformed PET tubs are already on the USCL, and as such, CAA will coordinate with CRPFs to understand the quantities they are receiving (unfortunately DEQ inbound data do not provide a breakdown by material and format to provide this information) and to make sure those materials are captured and supplied to REMs. CAA will work to direct current thermoform collection via specialized collection services to REMs through the coordination with the collectors and their material processors. CAA will also explore ways to improve PET thermoform recyclability through packaging design changes.

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Polycoated Gable-Top Cartons and Aseptic Cartons

CAA acknowledges that polycoated gable-top and aseptic cartons have been identified as a SIM in addition to being included on the USCL. Currently, it is estimated that about half of Oregon households are served by curbside and drop-off collection programs that include cartons¹¹ and this will grow to all households with the implementation of the RMA. It is CAA's understanding that Oregon's CRPFs currently include cartons in mixed paper bales and do not sort cartons into a separate PSI 52 grade bale. To date, CRPFs have not seen the value in marketing cartons separately from mixed paper.

Processing and Marketing Challenges

CAA aims to address issues associated with processing and marketing of this material by engaging with key decision makers, as well as identifying logistical issues that CAA can play an active role in resolving.

¹¹ Carton Council of North America. "Oregon RFI Response," March 20, 2022.

CAA proposes to work with CRPFs to explore the barriers they face in sorting and/or storing cartons and work with interested producers and associations, such as the Carton Council of North America, to review funding options for any necessary incremental infrastructure.

CAA will explore potential market interventions that could be used to improve the marketability of materials like cartons. One example of a market intervention could be offering a marketing service for cartons, which would be voluntary for CRPFs that elect to take advantage of it. For example, CAA could collect carton bales from individual CRPFs on a pre-agreed cadence, consolidate them into truckload quantities, and market them. CAA would then compensate CRPFs for the tons marketed. This could be based on the Pacific Northwest index price for PS54 Mixed Paper as reported on RecyclingMarkets.net's Secondary Materials Pricing (SMP).

In exploring these options, CAA will ensure materials are routed to responsible end markets and will consider adjustments to its producer fees to provide any necessary funding.

Nursery Packaging

CAA acknowledges DEQ's recommendation to place all nursery packaging in the SIM list while designating only HDPE and PP-made nursery packaging as material approved for curbside commingled collection with inclusion on the USCL. CAA has held interest holder consultations with a collection service, CRPFs and reclaimers to understand the contamination risk posed by nursery containers and to outline the role of the PRO in processing and marketing these materials to ultimately reduce contamination.

Education and Outreach

CAA recognizes that the USCL status recommended for HDPE and PP-based nursery packaging will require the program plan to account for communities that may not have collected these pots and trays thus far. Education and outreach will aim to minimize contamination, in particular from problematic PS nursery packaging. To accomplish this, CAA proposes to:

- Explore the need to gather data on which communities in Oregon, prior to July 1, 2025, collect nursery packaging and which ones don't, ~~particularly data that~~ capture the number of communities that collect/do not collect the material, quantities and seasonal trends in the generation of this material as a curbside recyclable, and extent of contamination from PS lookalikes. Similar data collection exercises will be explored for all SIM materials
- Explore opportunities for reuse and recycling of this material at Oregon-based nurseries and explore ways for CAA to leverage this information in its education materials, prioritizing options for reuse wherever possible
- Identify and segment communities in Oregon based on those that are most acutely affected by nursery packaging's inclusion in the USCL. This segmentation could be based on the determination of which communities have accepted nursery packaging prior to July 2025 and which ones have not
- Recommend a phased messaging and timeline to account for the segmentation. For communities where curbside collection of nursery packaging is set to start in 2025, the focus will be on informing

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households of the availability of commingled curbside collection of nursery packaging. For households already participating in curbside collection of nursery packaging, the focus will be mitigating contamination

- Determine a suitable strategy to communicate to waste generators how to differentiate recyclable nursery packaging (HDPE and PP-based pots and trays) from contaminants (lookalikes). All information will be provided in language and imagery that is clear and jargon-free.
- As a first step, CAA will continue to investigate the scale of the contamination issue from PS lookalikes in the recycling stream through conversations with CRPFs. Preliminary engagement findings can be found in the "Processing Improvements" section below.

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Using The Recycling Partnership's National Recycling Database, CAA was able to map communities in Oregon that currently list nursery packaging (pots or containers and trays) as an accepted material for recycling. In total, nursery pots are listed as accepted by 36 out of 106 communities in Oregon (see Figure 2(a)). Nursery trays are listed as accepted by two out of 106 communities.

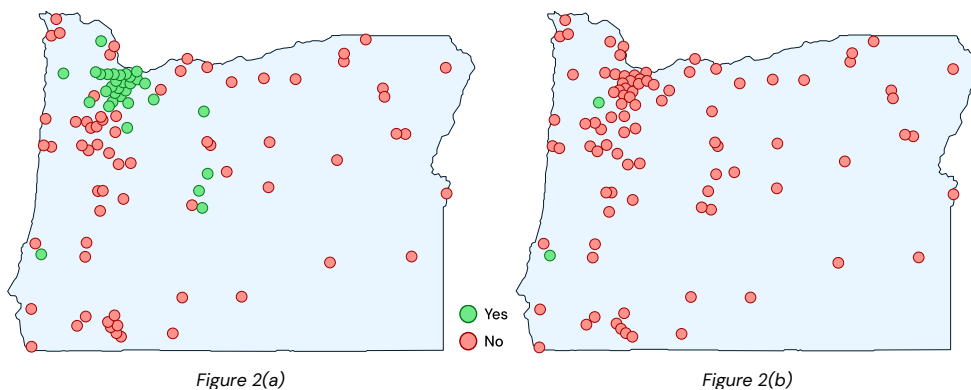


Figure 2: Community acceptance map for (a) nursery pots and (b) nursery trays as accepted materials. Green dots represent communities that have listed these materials as accepted. Red dots indicate communities that do not list these materials as an accepted material on their community websites. Source: The Recycling Partnership's National Recycling Database (accessed August 5, 2024).

CAA's plan for education and outreach will offer community managers resources that will help them customize collateral. These resources will allow community managers to build informational flyers on materials that will be accepted for curbside collection. CAA will use information on community acceptance of nursery packaging to determine where to deploy collateral.

Processing Improvements

In order to understand current practices for processing nursery packaging and reducing contamination, CAA engaged with an Oregon-based collection service, James Recycling, as well as a number of Oregon CRPFs and reclaimers. A key finding of this outreach was that CRPFs largely hand sort large nursery containers into bulky mixed rigid bales.

Reclaimers such as EFS that work closely with Oregon CRPFs did not find the presence of PS nursery packaging to be a detriment, as they are successfully able to sort them out and retain the PP nursery packaging. CAA further noted that reclaimers typically receive nursery packaging in bales of #1-7, #3-7 and #5 plastics and have the technical capability to successfully sort out contamination from PS and LDPE nursery containers. Contamination from PS is minimal and in the form of seedling trays, as shared by James Recycling, who noted that they largely receive HDPE and LDPE nursery containers. LDPE containers are further recovered, as noted by EFS, and worked in PE rigid resins. Furthermore, reclaimers did not find that carbon black as a colorant in nursery containers was a deterrent to either sorting or finding end markets.

iv. Specifically Identified Materials on the PRO Recycling Acceptance List

Steel and Aluminum Aerosol Containers

CAA recognizes that steel and aluminum aerosol containers have been designated as a SIM.

Given the outcome of the Phase II rules, which will delay the addition of aerosol containers to the PRO accepted list of materials until 2028, CAA will not pursue collection of aerosols at the PRO material collection points during the course of the first program plan period.

In anticipation of aerosols being added to the PRO collection list in 2028, CAA will propose to on-ramp empty, non-hazardous aerosols via a program plan amendment in 2025, with the goal of having those on-ramped within the first program plan period.

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CAA will present data to DEQ on the cost to manage aerosols with residual contents that shows management of partially full aerosol containers, through household hazardous waste management would exceed the societal benefit defined in the practicability test.

As part of the SIMs management strategy, residents' education will include awareness about emptying aerosol containers for recycling where currently collected and referring residents to household hazardous waste programs when needed. CAA proposes to:

- Segment Oregon communities based on whether or not they have had curbside commingled collection of aerosol containers or no collection prior to July 2025
- Recommend a phased education and outreach messaging and timeline to account for the segmentation. Provide text and visuals for use in customizable educational collateral via CAA's education and outreach portal for communities to build awareness among residents of how to recycle empty aerosols in communities where they are currently collected and how residents and small-scale generators should manage aerosols with residual contents, taking them either to a household hazardous waste collection program or disposing of them in the garbage.
- Offer, where aerosols are not currently collected in curbside programs, education materials for communities to instruct residents to dispose of empty aerosol containers in the garbage or through hazardous waste management programs.

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CAA proposes to continue pursuit of systemic changes to minimize hazard potential and perceptions of aerosol containers and to improve the recyclability status of this material. These may include:

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- Work with the U.S. Aerosol Recycling Initiative, led by the Can Manufacturers Institute and Household and Commercial Products Association, along with Portland metro local governments, to learn more about aerosol manufacturing, consumer and end markets, and recycling
- CAA signals its plan to propose on-ramping empty aerosol containers to the USCL in a forthcoming program plan amendment to be submitted in 2025

Aluminum Foil and Pressed Foil Products

CAA acknowledges the addition of aluminum foil and foil products to the list of SIMs. Oregon DEQ cited reasons for this designation that include concerns around food contamination, ability to sort due to the material's flat shape, and realities of smelter yields. CAA's interventions will focus on developing a suitable education and outreach strategy that will encourage residents to recycle these products at appropriate depot drop-off points and reduce the occurrence of these products entering the commingled stream as a contaminant.

A key challenge will be instigating a change to the long-standing practice of collecting this material curbside in parts of the state while simultaneously creating outreach materials that inform residents of appropriate depot locations. CAA's education and outreach plan addresses this via customizable materials for each community. CAA's approach to developing this strategy will include the following steps:

- Segmentation of Oregon communities based on whether they have had curbside commingled collection of aluminum foil and foil products in the past or no collection prior to July 2025. Communities that have historically treated foil as a curbside commingled collection material are likely to be most acutely impacted by this change, requiring the education and outreach strategy to minimize contamination from this group
- Consideration of targeting specific communities across Oregon for outreach on depot collection points for aluminum foil and foil products
- Given that aluminum foil and foil products are often used in food contact applications, provision of clear and jargon-free key messaging that communities and haulers may use in their education materials to help explain how to properly prepare aluminum foil and foil products for recycling to prevent food contamination
- Proposal to on-ramp aluminum foil and pressed foil products to the USCL in a forthcoming program plan amendment to be submitted in 2025

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Shredded Paper

Shredded paper is on the PRO Recycling Acceptance list and has been designated a SIM. Much like aluminum foil, shredded paper has been collected by communities in Oregon and the de-listing of this material from collection lists will impact the residents of those communities. Education and outreach will be the primary intervention for shredded paper and will mirror that of other de-listed materials such as aluminum foil.

Using The Recycling Partnership's National Recycling Database, CAA was able to map communities in Oregon that currently list shredded paper as an accepted material (see Figure 3). To this end, eight out of 106 communities currently list shredded paper as an accepted material for recycling. CAA will provide all local governments and their service providers access to customizable collateral that they can use to direct waste generators toward shredded paper drop-off points and to discourage placing shredded paper in the commingled stream. This collateral will not be limited to communities that currently promote its acceptance.

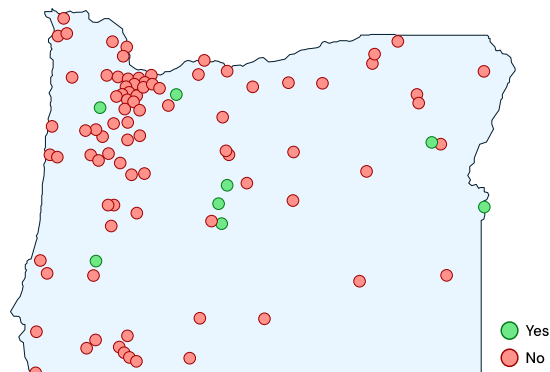


Figure 3: Community acceptance map for shredded paper. Green dots represent communities that have listed this material as accepted. Red dots indicate communities that do not list this material as an accepted material on their community websites.

Source: The Recycling Partnership's National Recycling Database (accessed August 5, 2024).

Glass Bottles and Jars

CAA acknowledges DEQ's decision to include glass bottles and jars on the PRO Recycling Acceptance list and classify them as SIMs.

Glass bottles and jars are currently collected in some areas of Oregon as a separated curbside stream, and the communication necessary with respect to glass containers will be tailored to the outcome of discussions with local governments on the development of the collection system for PRO Recycling Acceptance List materials. Where local governments choose to discontinue existing on-route collection systems for glass, CAA will provide local governments and their service providers access to customizable collateral that they can use to direct residents toward glass drop-off and discourage placing glass in the commingled stream.

As detailed in the PRO Recycling Acceptance list section of this plan, CAA anticipates that a mix of curbside and depot glass collection will support the achievement of the glass collection target.

Using The Recycling Partnership's National Recycling Database, CAA identified and mapped 76 communities that accept glass bottles and jars as per the community acceptance lists published by them. While a majority of these communities fall in the Portland Metro area (~~which~~ will continue accepting glass bottles and jars curbside), there are communities spread across Oregon that CAA will need to work with to determine if they would like to maintain curbside glass collection or transition their community to depot collection points.

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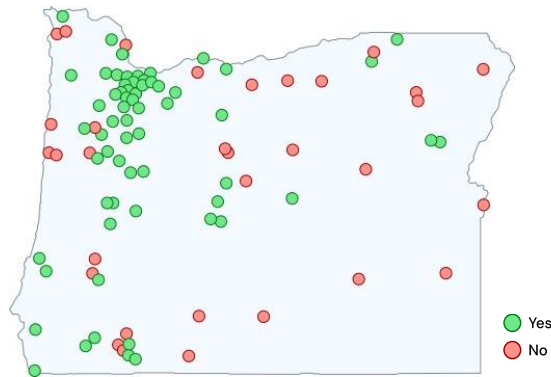


Figure 4: Community acceptance map for glass bottles and jars. Green dots represent communities that have listed this material as accepted. Red dots represent communities that do not list this material as accepted material on their community websites.

Source: The Recycling Partnership's National Recycling Database (accessed August 5, 2024).

v. Proposal to Trial Commingled Collection of Non-USCL Materials

There are two material groupings that DEQ has designated as SIMs that are neither USCL nor PRO Depot materials. These are polycoated paper packaging and single-use cups. While these materials are not currently being recommended for inclusion on the USCL, CAA believes that to adequately address the challenges identified under the SIM designation, it is appropriate to explore commingled collection of these materials on a trial basis after program commencement, with a view to better understanding current generator behavior while at the same time working to understand and address other system barriers to the inclusion of these materials.

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Polycoated Paper Packaging

CAA acknowledges that polycoated and similar paperboard packaging have not been included on any collection list due to concerns surrounding their recyclability. DEQ noted challenges in both sortation and yield. On the issue of yield, DEQ has questioned whether these materials are effectively recycled by paper mills, if they are readily recyclable (e.g. polycoated paperboard vs. paperboard with wet strength), and if they showed a high rate of recovery.

CAA also notes that DEQ requests that prospective PROs propose efforts to understand and address the impact of user behavior on CRPFs and end markets if polycoated paperboard packaging is collected as a

part of commingled recycling. CAA posits that without collecting this material in a commingled curbside trial environment, once the USCL formally launches on July 1, 2025, it will be challenging to replicate these behaviors and impacts. Therefore, CAA proposes the use of commingled curbside trials after the commencement of the program period to address this material category's SIM designation, while also exploring future paths to the USCL.

CAA will continue to engage with producers who have expressed interest in public comment and those who have relevant data to further inform the trial plans.

In order to meet DEQ's expectations for this material, CAA proposes conducting time-limited, geographically-bound commingled collection of these materials to derive real-world, actionable insights:

- The trial(s) will primarily aim to understand resident behavior, notably waste generators' ability to differentiate recycling information on polycoated paperboard, polycoated paper cups, and cartons. Currently, these trials are thought to include all food serviceware (e.g. cups, paper plates, to go boxes, etc.). Education and outreach tactics will be deployed to communicate the appropriate actions to both residential and non-residential generators

The trial(s) will aim to understand the nature and quantities of polycoated paper generated, as well as an initial estimate of the quantities of these materials that end up in mixed paper bales. To scope and plan these trials in the right geography, CAA will research regions where variables and metrics that could affect results are strongly controlled. Ideally, CAA would target trial regions where willing local partners have:

- Strong, stable control or influence over accepted materials lists
- Consistent service populations that can be successfully engaged with highly targeted education information
- Consistent flows of collected materials to specific CRPFs
- CRPFs that are willing and able to participate in the trial to track materials to bales
- Responsible end markets willing to participate in the trial to test yield and other factors

CAA proposes to work with relevant interested parties (DEQ, local governments, CRPFs, haulers, and end markets) prior to any trials to develop a detailed project plan for execution factoring in the following considerations:

- Goals and objectives of trials
- Timing and duration
- Interested partners
- Geography (communities potentially impacted)
- Logistics of franchised hauling
- Resident education (what are the related baseline education materials and how will this work within the broader education and outreach plan) – Education efforts will encompass residential and non-residential generators alike
- Costs associated with the proposed trial

The trials would aim to track materials very specifically from route to bale to market and ensure no other material changes to the stream or service changes are happening at the same time.

In addition, CAA proposes to address concerns surrounding stability, accessibility, and viability of end markets for this material by engaging with CRPFs and end markets to understand an acceptable proportion of this material that will not adversely affect end market applications. Currently, some processors can handle up to 20% of polycoated paperboard (including polycoated cartons and aseptics) in mixed paper bales.¹² CAA proposes to explore options to model the proportion of polycoated paperboard currently in mixed paper bales and study the implications of an increase. An in-depth CRPF study could entail examining CRPFs that sort polycoated cups into mixed paper bales separately from those that sort cups into grade 52 carton bales. Such studies could further entail downstream market research for mixed paper bales with polycoated cups. Furthermore, CAA recommends assessing the re-pulpability yield of mixed paper trials. This could potentially include assessing specific packaging structure potential re-pulpability yield to inform education and outreach.

Single-Use Cups

DEQ has excluded single-use PP and PET clear cups from recycling collection lists due to contamination concerns. DEQ stated that the inclusion of single-use cups in acceptance lists may introduce contaminants like trays, clamshells, plates, and food waste, as well as contamination from PVC and PS lookalike packaging. CAA further notes DEQ's request to propose efforts to understand and address the challenges this material poses to the recycling system.

CAA proposes no change to the SIM designation for single-use cups and proposes to conduct a trial study to better understand user behavior and to investigate the challenges single-use cups pose to the recycling system. CAA proposes that the limited time, geographically bound trial(s) be conducted after the program period commences in July 2025.

CAA will continue to engage with producers who have expressed interest in public comment and those who have relevant data to further inform the trial plans.

Prior to the trials, CAA will work with relevant interested partners (DEQ, Communities, CRPFs, haulers, end markets) to develop a detailed project plan for execution factoring in the following considerations:

- Goals and objectives of trials
- Any material overlaps (example, polycoated paper cups that may fall into both categories) and how to deal with these
- Timing and duration
- Interested partners
- Geography (communities)
- Logistics of franchised hauling

Deleted: CAA uses this program plan to signal a forthcoming program plan amendment with details of the trials to take place.

¹² Based on consultation with key interested parties processing mixed paper bales.

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- Resident education (education efforts will encompass residential and non-residential generators alike)
- Costs associated with trial

The geography of the trials will be determined in a similar manner as for polycoated paperboard packaging as detailed in the above section.

In addition, CAA proposes to address information gaps and concerns surrounding single-use cups. For example, the organization could engage CRPFs and reclaimers receiving single-use cups to understand the extent of yield losses expected with these materials. Additionally, CAA proposes to examine the extent of contamination introduced from lookalikes made of PS and understand challenges this may create during the processing of this material.

vi. Initial Plastic Recycling Rate Projections

This section of the plan provides an estimate of the current plastics generation and recycling rate in Oregon using preliminary data made available to CAA by DEQ. CAA may adjust this plan through plan amendments once DEQ releases final data on waste composition and inbound CRPF tonnages.

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CAA uses the current preliminary rate estimate below to project the gap between the current rate and the 2028 recycling target of 25% laid out in the RMA. We outline the elements of this plan that can be expected to contribute to achieving the goal and some preliminary estimates of new recycled tonnage for at least some of the elements. As CAA refines these elements in plan amendments, it will adjust the projected impacts on new plastics tonnage and their contributions toward the plastic recycling goal.

Preliminary Plastic Recycling Rate Estimates

Oregon DEQ has provided CAA with preliminary data estimating the plastics recycling rate. The data combine analysis from the ongoing DEQ waste composition analysis and recycling tonnage data from DEQ's Material Recovery Survey process to produce both a numerator and denominator for the rate calculation. Table 11 below shows this calculation using summary figures. DEQ provided CAA with 2022 Material Recovery Survey data as the numerator in the calculation and provided disposed waste composition estimates for both 2022 and 2023. For purposes of consistency, CAA is using the 2022 disposed waste composition data in this Plan to match the 2022 recycling tonnages provided by DEQ.

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CAA will continue to rely on official DEQ data as the source of measuring both the baseline and the ongoing plastics recycling rate, with DEQ specifically identified in the statute as being responsible for the rate calculation. CAA will continue to consult with DEQ on the specific nature of its numerator calculations, which are derived from DEQ's analysis of Material Recovery Survey data. Where possible, CAA will suggest to DEQ possible missing data or improvements to the data to accurately count the amount of plastics tons recycled.

Because CAA is relying on DEQ to make the base calculations, CAA defers to DEQ on the application of "yield rates" in the calculations, but it is assumed that the base data already reflects the current yield rates at CRPFs since it is measuring outbound tonnage. DEQ inbound/outbound data on CRPF performance will allow CAA to target improvements in CRPF plastic yield rates as one key strategy to improve overall plastics recycling tonnage. Requirements in rule on CRPF capture rates and the PCR/CMF payments will help encourage this improvement. CAA understands there may be need to conduct further yield rate adjustments for stages of recycling further down in the commodity chain but since the Material Recovery Survey is the source of the data on the numerator, it will rely on DEQ, who has direct statutory obligations to calculate the recycling rate, to make adjustments to the Survey to accommodate these additional possible yield rate calculations.

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Note that in the table below, as per DEQ's method of making the calculations, that plastics recycled through the deposit system are included in the "recycled tons" number.

	Total Plastics Subject to Plastic Recycling Rate Calculation	
Disposed tons	197,242	
Recycled tons	40,535	
Total Generated Tons	237,777	
Current baseline recycling rate	17.05%	

Table 10

Using the figures above in Table 10 and assuming there is no substantive change in generation, it is also possible to project the necessary additional annual tonnage that would need to be recycled to meet the 25% goal. Table 11 provides these estimates.

	Plastic Subject to Plastic Recycling Rate Calculation	
2028 projected tons generated	237,777	
Recycled tons needed to meet 25% target	59,444	
Difference between current recycling baseline and target tonnage	18,909	

Table 11

Table 11 shows that 18,909 tons of additional tonnage would need to be recycled to meet a 25% recycling goal in 2028. Table 12 below shows some additional detail on DEQ's recycled data to help guide planning on the kinds of materials that may be currently under-recovered. When the substantial amount of deposit recovered material is figured into this analysis, it shows the amount of rigid plastic containers recycled in Oregon to be a very low tonnage, which indicates improvements in rigid plastic container recycling could be critical to meeting the 2028 goal.

Packaging Material	Recycled Tons
Deposit recovered rigid plastic containers	17,261
Non-deposit recovery portion of RPCs	12,184
Film plastics	6,865
Other plastics	4,225
TOTAL	40,535

Table 12

Table 13 combines the detailed categories of plastics packaging and food serviceware from DEQ's preliminary waste composition data with DEQ's preliminary data on tonnages inbound to CRPFs. Combining these two datasets allows CAA to estimate current capture rates for select specific categories of plastics material, which then helps identify the relative opportunities for increased plastics recycling across those categories. The categories are ranked in descending order by their "ostensible capture rate."

Material	Tons disposed in landfills 2022	Inbound CRPF figure	Ostensible capture rate
No-deposit plastic beverage bottles	4,149	4,917	54%
Very large plastic bev. bottles > 5 gal	30	20	40%
Other plastic bottles 8 oz to 5 gallons	11,462	5,820	34%
Curb-OK plastic tubs, pails 8 oz to 2 gal	2,249	908	29%
Small tubs 6+oz but <8 oz	611	198	24%
Plastic grocery/merchandise bags	2,930	418	12%
Not curb-OK plastic tubs, pails 8 oz to 2 gal	26,176	3,735	12%
Very small plastic bev. bottles 6 oz to < 8 oz	219	26	11%
>2-5 Gal. Buckets/flower pots	8,719	972	10%
Other rigid plastic packaging	16,943	1,079	6%
Block foam packaging	10,496	476	4%
Rigid plastic FSW excl RPC, cups	4,315	155	3%
Plastic other recyc. polyethylene film PKG+FSW	35,003	1,286	4%
Plastic beverage pouches	311	9	3%
Plastic other nonrecyclable film PKG+FSW	43,420	1,213	3%
Bulky rigid plastic packaging	6,229	146	2%

Table 13

Table 13 shows that capture rates for some very important large-volume plastics categories are low and are important targets for increased recycling tonnages. For example, although more than half of "no-deposit beverage bottles" are captured, there is still substantial tonnage available in the disposed stream, as is also true for "other plastic bottles," which are captured at 34%. Other substantial targets include "non-curb OK

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plastic tubs, pails 8 oz – 2 gal” and “other rigid plastics packaging.” Although DEQ’s preliminary data does not break down these categories by resin type, it indicates that plastic recycling could be improved through the inclusion of polypropylene containers to the USCL and by the potential addition of PET thermoforms to the USCL, as proposed in this plan. “Bulky rigid plastic packaging” also appears to demand attention, and successful high rates of collection for two of CAA’s depot materials – block foam packaging and recyclable polyethylene film – could contribute substantially toward a higher overall plastic recycling rate.

This plan includes elements that are expected to result in more recycled plastic, thus allowing Oregon to meet its plastics recycling target. At a very general level, with a great deal of uncertainty as to the true potential of each of these elements to contribute additional tons, Table 14 displays many of the main elements and, where possible, provides preliminary estimates on how much new plastics tonnage would be recycled. CAA will be able to make more solid projections on expected tonnages from each element, as well as the balance of what comes from each element, as the Program Plan is approved and as implementation gets underway. CAA also anticipates that once DEQ delivers its final waste composition and inbound/outbound CRPF data it will be able to refine its projection and be able to more specifically target opportunities for increasing plastics recycling tonnage.

Plan Element	Notes on Potential Impact
Expand curbside, multifamily, and small commercial recycling access through local government needs assessment requests	CAA funding and support of local government requests for new collection infrastructure should result in the collection of additional plastics. Projected tons are difficult to estimate without more data on the number of generators who will receive new service, their generated tonnage, and anticipated participation and participant capture rates. However, CAA estimates a potential additional 1,800 tons of plastics recycling from this element.
Enhance collected material mix in local programs to meet USCL requirements	As collection programs add new plastic materials to meet the USCL requirements, it should result in more plastic tons. For example, new polypropylene container collection from inclusion of the material in all collection programs statewide could amount to about 2,500 tons/year.
Implement PRO depots that collect specific plastics	CAA will collect a range of plastic materials at new and existing depots. A preliminary estimate of new plastics collection is 3,700 tons/year.
Add PET thermoforms to the USCL and local collection	CAA is proposing to add PET thermoform packaging to the USCL by December 31, 2027, at which point thermoform collection could provide as much as 3,500 new plastics tons per year toward the plastic recycling goal.
Enhance plastics capture at Commingled Recycling Processing Facilities	PCRf and CMF payments, along with regulatory mandates to improve capture rates and bale quality, are expected to reduce plastic material disposed at CRPFs and increase tonnage recycled. It is difficult to project the associated tonnages without more direct engagement with individual CRPFs. DEQ's preliminary data on CRPF inbound tonnages and capture rates indicates as much as 4,100 tons of additional plastics could be diverted from CRPF disposal or mis-capture into properly captured materials.
Improve recycling participation and participant capture rates in collection programs	CAA's educational efforts and coordination with local recycling programs and franchised haulers may include specific efforts to raise participation and plastics capture rates. It is difficult to project the amount of new tonnage that could be expected from educational efforts without more specific data from local programs and haulers on current participation and participant capture rates, but new tonnage could be as high as 4,300 tons per year.

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Table 14

In summary, using preliminary DEQ data, CAA has provided in this section a preliminary calculation of the baseline generation and recycling tonnage subject to 2028 plastic recycling rate target in Oregon and has identified the plan elements that will help achieve the target. CAA will adjust its plan as DEQ provides final data and as more details on plan elements are determined. Implementation of the plan will also provide new data that will allow CAA to adjust its strategies and to possibly add new strategies to optimize plastics recycling.

On a final note, CAA has concerns about garbage bags being counted as "packaging" in the plastics recycling rate calculations. CAA will continue to engage with DEQ on this issue. If garbage bags are excluded from the denominator, the tonnage gap for the plastic recycling goal is closer to 13,900 tons and the projections on the elements above would then well exceed the achievement of the goal.

vii. Ensuring Responsible End Markets

CAA will ensure that covered materials and contaminants collected with covered materials are managed and disposed of in a manner that aligns with Objective 1 of the program plan (Reduce the negative environmental, social, and health impacts from the end-of-life management of products and packaging).

An important component of this management strategy is the transfer of such materials to responsible end markets (REMs).

Example End Markets

Based on discussions with CRPFs, CAA anticipates that most covered materials collected for recycling under the RMA program will be processed in North America, with the exception of:

- Mixed paper
- Aseptic and gable top cartons (a mix of North American and overseas markets)
- Expanded polystyrene protective packaging (block white EPS)

Based on industry knowledge, CAA team expertise, and discussions with CRPFs, an initial assessment of the entities that could potentially use materials collected in Oregon range between 130 and 150 entities, excluding plastic converters. Examples include:

- OCC and Mixed Paper: NORPAC, Pratt Industries, Nine Dragons (China, Vietnam and the U.S.)
- HDPE: Denton Plastics
- Mixed Plastics: Merlin Plastics, EFS-Plastics
- Cartons: Kimberly-Clark de México, Sustana Fiber, Great Lakes Tissue, Daewang Paper (South Korea)
- Glass: Glass to Glass
- Polystyrene: Intco (China)

For commodities processed overseas (e.g., mixed paper), CAA will work in close collaboration with material brokers to ensure its obligation under ORS 459A.860 to 459A.97. For example, CAA will assist in getting the self-attestation forms from brokers' clients.

Verification of REMs

Based on the feedback from DEQ and ORSAC, CAA has developed a detailed REM verification standard with specific criteria, performance indicators, and detailed non-compliance procedures. An overview of CAA REM Standard methodology is detailed in the sections below. It is important to highlight that the methodology presented here will be discussed and reviewed with end market entities and their trade associations before program plan implementation. CAA also intends to test the proposed methodology with targeted end market entities.

The review process and the field-test process are common practices in voluntary consensus standard development. Should those processes lead to adjustments in the methodology, CAA will make necessary adjustments and communicate those changes to DEQ via submission of a program plan amendment.

The REM Standard will serve to transparently communicate adherence by end markets to the responsible requirements as set out in the RMA, provide public insight into non-compliance, and serve as an aligned methodology for third-party certification standards to adopt upon EQC approval and expansion in 2027.

For the initial phase of REM verification, CAA intends to partner with a third-party certification scheme owner to ensure CAA can effectively adapt the proposed methodology, ensure consistency of auditing and reporting in the initial phase, and prepare for integration with multiple certifications when they are independently available to end markets.

CAA intends to partner with GreenBlue's Recycled Material Standard (RMS) for this initial phase. During program plan development, CAA observed that RMS had developed a REM verification method that went beyond any other DEQ-benchmarked standards, was applicable to all covered materials, and met the management and governance requirements outlined in DEQ benchmarking of certification programs. CAA has leveraged the progress RMS has made in REM certification to ensure adequacy of its own REM Standard.

CAA intends to uphold the requirement to validate all necessary criteria while avoiding having to replicate auditing REMs may have validated through other programs. CAA will use benchmarked comparisons with the REM criteria to identify duplicated criteria and notify certification bodies of reduced audit needs. Certification bodies will complete REM audits, using inputs from third party certifications to support auditing, and noting non-compliances in all areas if observed.

REMs Verification Overall Approach

CAA, in collaboration with RMS, has developed end market verification processes for Oregon and other jurisdictions where it has been designated as a PRO (Colorado, California). CAA's verification approach was designed based on the principles of the International Organization for Standardization's Guidelines for auditing management systems (ISO 19011) with input from the expertise of PROs active in other jurisdictions with similar REM verification requirements (including European PROs). CAA's verification approach is a three-step process (see table below):

1. Initial screening (CAA and CRPFs)
2. Reporting review (CAA)
3. Entities verification (RMS and verification body)

While CAA will manage the initial screening and reporting review, RMS will manage the verification of entities ~~for~~ Oregon. CAA and RMS will select Certification Bodies (CBs) to undertake the audit step, based on several criteria, such as:

- Capacity to perform overseas audits (e.g., the verification body has local offices or agents in targeted overseas market) as well as North Americans audits

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- Experience auditing related standards to environmental performance, health and safety, traceability or chain of custody, and recycled material processing
- Experience in chain of custody verification
- Existence of policy for prevention of conflict of interests
- Possesses adequate professional liability insurance
- A proposal of standards to use to measure REM compliance
- Cost of services
- Willingness to allow CAA or certification scheme representatives to shadow on-site audits as needed
- Employment of native speaking and literate personnel for geographies assigned to each audit

CAA will also rely on DEQ endorsement of verification programs.

CAA will also contract only with certification bodies that fulfill the requirements of ISO 17065 (Conformity Assessment – Requirements for Bodies Certifying Products, Processes and Services).

Verification Action	When	Who	Purpose
Initial screening	Immediately for each unverified end market	CAA and CRPFs (collaboration)	<ul style="list-style-type: none"> • Obtain self-attestation form • Pre-approve markets
Data review	Quarterly	CAA	<ul style="list-style-type: none"> • Detect any reporting anomalies • Calculate yield
Entities verification	Annually	RMS and CBs	<ul style="list-style-type: none"> • Verify compliance with proposed REM standard

Table 15

Initial Screening Steps

CAA will request end market entities complete self-attestation forms and submit several documents in order to be pre-approved. At a minimum, CAA will request end market entities provide operating permits and, in the case of overseas markets, import permits or authorizations. CAA will request environmental permits or licenses if applicable. A signed audit agreement will also be expected. CAA may request additional information and/or a meeting to clarify certain elements.

CAA will request that end market entities list active certifications and/or verification~~s~~ related to recycling processes, facility management systems, or other elements covered by REM criteria. As detailed in ~~the~~ section ~~on~~ temporary variance in verification (outlined later in the REM portion of the program plan), CAA will determine ~~which~~ markets require~~s~~ a full REM audit ~~and which are subject to reduced audit requirements~~ ~~through~~ an approved variance request~~s~~;

- For markets that have been verified by another PRO under another EPR program, CAA will plan to verify remaining elements of REM criteria
- For markets that have obtained a relevant certification, CAA will plan to verify remaining elements of REM criteria
- For landfills and disposal sites in the United States or Canada with a valid operating permit and documentation confirming lack of non-compliance, CAA will provide pre-approval

Once the pre-approval is completed, all information will be transferred to RMS to manage the third-party audit assigned to the relevant certification body.

While CRPFs are responsible for accessing self-attestation forms for USCL materials, CAA will offer to undertake that task on their behalf in order to avoid duplication of effort (e.g. reaching out to the same end market entities several times).

Data Review Steps

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CAA will review the different data provided by CRPFs and end market entities through the service provider portal. On a quarterly basis, CAA will perform a data reconciliation, followed by the detection of any anomalies in the data (e.g. significant increase in outbound quantities). While detailed data will be reviewed during the verification, at this stage the data will allow CAA to estimate preliminary recycling yields by facility.

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Entity Verification Steps

Performed by selected Certification Bodies (CBs), the verification will be conducted for the impact areas identified in the following subsection. CBs will contact designated end market entities regarding the requirement to be audited and assignment by CAA. They shall obtain all the necessary information to complete the certification process, obtain a signed audit agreement (if not already provided), and reach agreement on the audit plan. They then shall conduct a review of the information obtained to ensure that:

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- The information about the client is sufficient for the conduct of the certification process
- Any known difference in understanding between the certification body and the client is resolved
- The means are available to perform all evaluation activities

CBs will request documentation for review ahead of on-site audit. The on-site audit plan will be developed based on thoroughness and credibility of initial documentation supplied.

Once the audit is completed, CBs will prepare the audit report, the certification decision, and findings review to be shared to the end market entity. It shall provide CAA with a verification report that will consist of audit results for each criterion (pass or fail) and work with the certification scheme owner to update the certification database with the end market's information. It will also send a corrective action plan for non-compliance to any entity determined through verification to have non-conformance(s). The plan will include a defined timeline for response and amelioration of issues, as defined in the "Actions to Address Non-Compliance" subsection further down in this section of the plan.

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The verification will also include a material tracking component, ensured by:

- A Material Flow Management System that will be made available to the different interested parties of the supply chain for their reporting obligation under the regulation (e.g. CRPFs quarterly disposition reports) and that will ensure data confidentiality is preserved
- A random bale tracking process, connected to the material flow management system, using chain of custody
- An agreement with brokers that will voluntarily collaborate with CAA to ensure they will provide the required information for verification

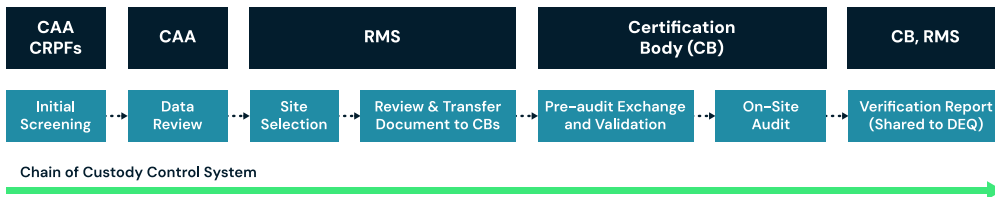


Figure 5. Infographic visual aid depicting the proposed Material Flow Management System.

Whistleblower Process

In order to allow CAA to incorporate community feedback in the verification process, a whistleblower channel will be made available. The channel will be anonymous and consist of a form on CAA's website, as well as a direct phone number to contact. Promotion of that channel will be undertaken in collaboration with local governments, EPA and other local authorities (e.g. state DEQ). Information received through that channel will be reviewed by CAA and transferred to the Certification Body and its auditor if relevant.

CAA will have a section relating to Responsible End Markets on the national webpage, with a section that describes how to report suspected non-conformances. The REMs page will have a copy of the REMs criteria so the public can understand the performance criteria of a REMs verified facility. The information on whistleblowing will include the point of contact ~~for~~ submitting information related to suspected non-conformances. Assurance will be offered to whistleblowers that ~~their identities as~~ reporters of a suspected non-compliance will be maintained as confidential.

If a suspected REM non-compliance is reported, CAA will follow up with the whistleblower within five business days. Depending on the information presented, CAA may reach out to either the auditor that conducted the REM verification or the facility itself. If the accusation is for a major non-compliance, CAA may choose to suspend the end market's recognition as a REM until on-site verification can be conducted. This determination will be made within 15 days of the reporting of the suspected non-compliance. Upon conclusion of the investigation of the reported non-compliance, CAA will inform DEQ of the reported non-compliance and outcome within 30 days of the initial reporting.

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Verification Sampling Plan

Not all entities will be verified every year. By July 1, 2029, according to the proposed temporary variance presented below, all entities will have been verified at least once. The CAA audit cycle will operate on a five-year cycle, with every entity receiving an on-site audit at a minimum of once every five years after the first on-site verification. In the interim, desk audits (review of documentation) will be performed.

RMS will determine the sites to be verified based on the following criteria:

- Tonnage received: larger tonnage will be prioritized
- Previous verification: sites that have not been previously audited will be prioritized

- Risk of non-compliance: overseas end markets and entities for which CAA has received information related to potential non-compliance spotted in the quarterly reporting review will be prioritized
- Compliance with other verification process: entities already participating in other certification (e.g. recycled content) or verification programs (e.g. food grade quality control) will *not* be prioritized if participants share relevant information and if that information allows CAA to verify compliance against REM standards

REM Verification Criteria (Preliminary)

To develop an effective standard with appropriate criteria, CAA conducted a benchmarking of existing standards against DEQ's REM requirements defined in Rulemaking 1. Consideration was given to which verification methods and baseline requirements would serve as appropriate "responsible" criteria from a regulatory perspective. Many certifications contained admirable and desired criteria, which were seen to be difficult to implement in practice across all geographies and material classes. Therefore, CAA chose to establish core criteria that first met the requirements of the RMA, and then could be implemented widely and allow third-party certifications to implement preferred tiers with state-of-the-art sustainable criteria beyond the regulatory baseline.

Table 14 provides CAA's preliminary list of criteria. The following table presents, for each criterion, the compliance approach (i.e. what an end market entity shall undertake to comply with the criteria), and the applicable non-compliance classes.

It is important to note that the list below as well as the compliance approach remain preliminary until CAA has consulted the end market industry on the content and has undertaken field-testing with key end market entities. The final REM Verification methodology, including the final list of criteria, will be provided to DEQ once the consultation and field-testing has been completed, via plan amendment if changes have been made.

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Section	Criteria	Description
Compliance to law and regulation	Legal and environmental compliance	Entities shall maintain compliance with all applicable laws, policies, regulations, and treaties for the jurisdiction(s) in which they operate. This includes but is not limited to requirements related to labor and employees, environmental management, materials management, fair business practices, bribery and corruption, and disclosure and reporting.
		Any permits or licenses shall be up to date. Any contractors providing offsite treatment of waste or wastewater must provide permits and licenses as well.
		Any instances of noncompliance shall be documented and reported, and entities shall provide proof of resolution of the noncompliance.

	Awareness of Compliance Responsibilities	Entities must demonstrate awareness of compliance requirements, including relevant personnel responsible for managing compliance.
	Disclosure of Compliance Violation	Entities must record and disclose any notices of violation from the relevant rulemaking body, and document the resolution of the noncompliance.
Labor	Employment policy	<p>The entity must maintain an employment policy(s) that addresses and ensures compliance with the principles in this section for all direct employees, including full-time, part-time, and contract or temporary employees.</p> <p>Any violations against the policy must be reported and entity must verify proof of corrective actions taken to resolve the noncompliance.</p>
	Free labor	<p>All work is voluntary with no compulsory, forced, bonded, or indentured labor not in accordance with ILO convention 29 is prohibited.</p> <p>No labor is conducted under threat of penalty or sanctions.</p>
	Child labor	<p>The entity shall not employ workers under the national minimum age for employment, or the age of completion of compulsory education, whichever is higher. In any case the entity shall not employ workers under the age of 15 except where in accordance with local law and ILO Convention 138.</p> <p>The entity shall ensure that workers under the age of 18 do not work at night or in conditions which compromise their health, safety, and emotional or physical development.</p>
	Discrimination, harassment and abuse	<p>The entity must maintain a policy and management system ensuring all workers are treated with respect and dignity. The policy must be readily available and understandable by employees or contractors.</p> <p>No harassment or abuse of any kind will be tolerated. There shall be equal opportunity and no discrimination of employees on the basis of characteristics including race, sex, gender, age, religion, marital status, disability, sexual orientation, pregnancy, nationality, political affiliation, or any other personal characteristic.</p>
	Health and Safety procedures and prevention	<p>The entity shall assign a responsible person for health and safety matters.</p> <p>The entity shall establish and maintain procedures for promotion of worker health and safety, including procedures for:</p> <ul style="list-style-type: none"> a) Emergency response, including in the case of injury, illness, evacuation, fire, or other emergency. b) The provision, use, and training for the use of personal protective equipment (PPE) and

		<p>preventative measures for avoiding illness or injury.</p> <p>c) Worker training on health and safety. The entity must maintain training records for a minimum of 5 years. Relevant licensing or other legal requirements and documentation, such as for qualified machinery operators or chemical use licenses.</p> <p>d) Corrective action and response in the case of noncompliance with health and safety measures or adverse health and safety incidents.</p> <p>The entity shall appropriately manage workplace hazards and put in place adequate safeguards against workplace risks. This includes but is not limited to:</p> <p>a) Proper management for the handling and storage of hazardous materials, and controlling the exposure of workers to such materials.</p> <p>b) Providing appropriate PPE and related supplies to workers, and training on the use of such, for both routine tasks and incident or emergency response measures. The entity shall require the use of PPE as part of safety procedures in accordance with any mandated regulations or safety guidelines.</p> <p>c) Providing safe building environments, including environments are adequately protected against risks such as physical hazards, fire risk, and exposure to chemicals, disease, or excessive heat, cold, or noise.</p> <p>d) Providing clean and sanitary working conditions, including access to sanitary toilets, clean drinking water, and, if applicable, facilities for cooking and preparing food.</p> <p>e) If residential facilities are provided, these are maintained in a clean, sanitary, and safe condition. The entity shall record any workplace injuries and take appropriate corrective actions.</p>
Environmentally-sound	Containment of waste	There shall be no activity on-site that causes obvious contamination to the local environment.
	Environmental Management System Components	<p>Entities shall have in place an environmental management system for addressing key environmental impact areas. At minimum this shall include:</p> <p>a) A designated responsible person at the management level;</p> <p>b) A mechanism to remain up-to-date with applicable local legal requirements;</p> <p>c) Procedures and records for training of relevant staff</p>

		in environmental impact areas; d) A system to document, measure, and track the relevant indicators for environmental impact areas.
	Environmental Impact Measurement	<p>The entity shall work to minimize impacts to air, water, and land from its operations. At a minimum and where applicable to facility processes, it shall quantify and disclose on an annual basis relevant indicators related to the below environmental impact areas, such as:</p> <p>a) Emissions to air: Any material emissions to air, including regulated air pollutants or pollutants of concern.</p> <p>b) Discharges to water: Material discharges to water, including direct discharge to water bodies, capture and treatment of runoff, indirect discharge via land application, i.e., private or public treatment systems.</p> <p>c) Water management: water use and related water management indicators.</p> <p>d) Waste management: the total amount of hazardous and non-hazardous waste generated from its facilities, and the disposal method used.</p>
	Chemical Management System Components	<p>Entities shall have in place a chemical management system for addressing chemicals of concern within their operations. At minimum this shall include:</p> <p>a) A designated responsible person at the management level;</p> <p>b) A mechanism to remain up-to-date with applicable local legal requirements;</p> <p>c) Procedures and records for training of relevant staff who may handle, store, or utilize chemicals;</p> <p>d) Maintenance of a list of all chemical inputs to their operations, including products and processing aids;</p> <p>e) Maintenance of Safety Data Sheets (SDS) for all chemical inputs and any additional chemicals used onsite; SDS shall be readily available to workers in their local language.</p>
	Chemical of Concern Disclosure	Entities shall quantify and disclose any chemicals and materials of concern (as defined by CA Proposition 65) intentionally added during processing of recycled outputs, and the end-of-life management of these materials.
	Spills, leakages and plastic pollution assessment, including microplastic	<p>The Entity shall:</p> <p>a) Conduct an assessment of major risk areas of operations where spills and leakages could contaminate air, water and/or soil.</p> <p>b) Implement a management plan including compliance controls, monitoring, and emergency response plan to prevent, detect and remediate spills and leakages, especially for microplastic.</p> <p>c) Document and disclose to auditor impact assessments of material spills and leakages, root</p>

		causes and remediation actions taken on an annual basis.
	Management of resin loss	Where applicable, entities that produce, process, handle, transport, or store plastic resin pellets or flakes shall demonstrate that they implement the principles of Operation Clean Sweep and meet the following requirements for management of resin loss: a) Risk Management b) Internal Procedures c) Evidence of Best Practices d) Monitoring of Potential Losses and Internal Audit
Transparency	Audits and records	All Supply Chain Entities – entities transporting, brokering, or transferring or otherwise in control of covered materials from Material Recovery Facilities to defined end markets – must be willing to be named and be subject to desk audit for compliance to Responsible End Market criteria. Supply Chain Entities must keep Chain of Custody records of transactions of covered materials for not less than five years and make records available to the Certification Body or Producer Responsibility Organization (PRO) upon request. All defined end markets must be willing to be named and be subject to desk or on-site audit for compliance to Responsible End Market criteria. End Markets must keep Chain of Custody records of transactions of covered materials for not less than five years and make records available by Certification Body or Producer Responsibility Organization upon request.
	Documentation of covered materials	All entities transporting, brokering, or transferring or otherwise in control of covered materials from Material Recovery Facilities to defined end markets must track material and provide chain of custody documentation to notify customers. Defined end markets shall provide quantification of covered materials received from regulated markets, via quarterly summaries of material volume, by type.
	Quantification of material disposal	Defined end markets must summarize quarterly the volumes of covered materials by final disposition method for each material type as defined by category determination table. Quarterly summaries shall include: i. Recycled material in product(s) sold to downstream customer; ii. Recycled waste sold as scrap; iii. Waste material sent to landfill, incineration, or waste-to-energy. Quarterly quantification summaries shall be supported by internal production reports, vendor

		<p>data, sales data, and/or other records of material separation, processing, and final disposition. Entities must provide a list of the companies receiving disposition of residual outputs destined for landfill/ incineration/ waste-to-energy (including Name, Physical Shipping Address, Contact Information, Material description) to Certification Body or Producer Responsibility Organization, updated quarterly.</p> <p>Entities must provide documentation that downstream processors of landfill/ incineration/ waste-to-energy residuals maintain active required legal, solid waste, and environmental permits.</p>
	Penalties and violation	<p>Within 90 days of notification of non-compliance event listed above, End Market must also provide to Producer Responsibility Organization a corrective action and non-compliance resolution plan for review and confirmation.</p> <p>Required Participants must provide documentation of penalties and violations occurring in last calendar year and signed acknowledgement of completion or acceptable progress by Regulatory Agency, Producer Responsibility Organization, and/ or Department of Environmental Quality to remain eligible for Responsible End Market designation and participation.</p>
Yield	Yield documentation	<p>All entities must document and be willing to share records of yield for covered materials.</p> <p>a) Yield shall be documented as the output weight of materials processed and sold for use in new manufacturing, as a percentage of the input weight, accounting for process losses.</p> <p>b) Yield shall be >60% for all covered material categories, as measured against the entire recycling supply chain from downstream of the MRF or PRO collection point to the end market.</p> <p>c) Yield must be documented separately by material type if they are received and processed distinctly.</p> <p>d) Materials that are received and processed in mixed fashion may be evaluated in total, except where otherwise required to be documented separately. A proportional allocation of covered and non-covered materials must be used in the calculation.</p> <p>1) At a minimum, yield must be documented separately for the following covered material categories: plastic, glass, paper, and metals, based on the primary material composition.</p> <p>2) Entities receiving Oregon covered materials must evaluate yield separately for the following materials:</p>

		<ul style="list-style-type: none"> a) Polycoated Cartons b) Composite metal, paper cans – at paper mills only c) Plastic bottles that measure at least two inches in each of two or more dimensions, including caps if screwed on, made of the following materials: PET (#1) (clear only), HDPE (#2), and PP (#5) d) Plastic tubs that measure at least two inches in each of two or more dimensions, including caps if screwed on, made of the following materials: PET (#1), HDPE (#2), and PP (#5) e) Plastic buckets, pails, and storage containers, including lids if snapped on, made of the following materials: HDPE (#2) and PP (#5) f) Nursery (plant) packaging, such as pots and trays, made of the following materials: HDPE (#2), PP (#5)
	Yield measurement and calculation details	<p>Supply chain entities shall document the following as part of the yield calculation or estimation:</p> <ul style="list-style-type: none"> a) Amount of material received; b) Amount of material disposed, by method and destination, in conjunction with Disposition Reporting in Section 5.2.2; c) Estimated losses; d) Whether the entity was the first to receive the material downstream of collection.

Table 16

Section	Criteria	Compliance Approach	Non-Compliance Category
Compliance to law and regulation	Legal compliance	Establish a performance base level	Disqualifying / Major
	Awareness of Compliance Responsibilities	Establish a performance base level	Major / Minor
	Disclosure of Compliance Violation	Documentation and recordkeeping	Major
Labor	Employment policy	Develop a policy / management system for continuous improvement	Major/ Minor / Recommendation if compliance achieved
	Free and fair labor	Establish a performance base level	Disqualifying

	Child labor	Establish a performance base level	Disqualifying
	Discrimination, harassment and abuse	Establish a performance base level / Develop a policy / management system for continuous improvement	Disqualifying / Major/ Minor / Recommendation if compliance achieved
	Health and Safety procedures and prevention	Establish a performance base level	Disqualifying / Major/ Minor / Recommendation if compliance achieved
Environmentally-sound	Environmental compliance	Establish a performance base level	Disqualifying / Major
	Containment of waste	Establish a performance base level	Major / Minor
	Environmental Management System Components	Develop a policy / management system for continuous improvement	Major / Minor
	Environmental Impact Measurement	Measure and report	Major / Minor
	Chemical Management System Components	Develop a policy / management system for continuous improvement	Major / Minor
	Chemical of Concern Disclosure	Measure and report	Major / Minor
	Spills, leakages and plastic pollution assessment	Develop a policy / management system for continuous improvement	Major/ Minor if reporting deemed complete

Transparency	Management of resin loss	Develop a policy / management system for continuous improvement	Major / Minor
	Audits and records	Documentation and record keeping	Disqualifying / Major
	Documentation of covered materials	Documentation and record keeping / Measure and report	Major / Minor
	Quantification of material disposal	Documentation and record keeping / Measure and report	Major / Minor
	Penalties and violation	Documentation and record keeping	Major / Minor
Yield	Yield documentation	Measure and report	Major / Minor
	Yield measurement and calculation details	Measure and report	Major / Minor

Table 17

Verification of Chain of Custody

CAA will offer CRPFs access to a Service Provider Portal that will enable, among other things, continuous material tracking throughout the value chain (material flow management system). Preliminary discussions with CRPFs have been held to define the best approach in terms of data to be shared and methods to share data. For CRPFs that will not be able to use the Service Provider Portal, CAA will provide a prescribed template to fill-in and share. Data to be shared include end market locations, commodities and tonnage. The audit process includes an audit initiation and preparation phase between the CB and the entity verified, in which the paper trails related to chain of custody (e.g. purchase orders, processing information such as conversion factors, production and stock records, sales orders, inventory balance) will be reviewed. On-site audits will review the chain of custody documents for specific loads.

Verification of Recycling Yield for Materials Mixed Together in a Bale

CAA will provide access to the material flow management system to the CBs in order to measure and verify yield compliance. End market entities will be asked to provide an overall amount of material received, disposed and successfully processed.

For materials mixed together in a bale, CAA will ask end market entities to estimate and self-attest the recycling yield, while providing methodological justification. CAA will ask the CB's auditor to pay specific attention during the on-site visit to ensure that minority components in a mixed bale are not being diverted to landfill. The auditor may determine through interviews and review of technical documents associated with the facility's equipment whether or not yield thresholds for material being accepted by the facility are being met. It will also demand to see the residuals stream generated from the facility's process to determine whether material accepted by the end-market is being properly processed.

Investigating Non-Compliance

For each entity audited, the CBs contracted by CAA/RMS will provide an audit report that will clearly state:

- If the end market entity passes or fails each of the REM criteria, and the rationale for each potential fail
- If the end market entity can be deemed responsible or not (if it is not deemed responsible, the report will list corrective actions required to bring it into compliance)

The report will not contain detailed information about the entity for confidentiality purposes but will include the end market entity name, location (city and country) as well as the material type received. For clarity, the report will not contain information such as supplier(s) of material and quantity processed.

Instances of non-compliance are most likely to be reported to CAA during the verification process, by the chosen CB.

DEQ will receive the verification report and will be informed of any entity that is not compliant after CAA's review process.

Actions to Address Non-Compliance

The verification report and RMS certification database will clearly state the certification determination of the entity (active/ suspended/ withdrawn) and non-compliance status (category and criteria area). The CB will issue finding with corrective action steps that would be required to bring it into compliance. The CBs will classify potential non-compliance according to the severity of the infraction: based on ISO 19 011, CAA will classify non-compliance into three categories of severity:

- Minor non-compliance
- Major non-compliance
- Disqualification non-compliance

CAA's non-compliance methodology also includes a "Recommendation" category. This category allows CBs' auditors to suggest best practices to assist with continuous improvement when entities are within compliance or could easily mitigate non-compliance risk.

CAA is providing expanded guidance on how the auditor should determine non-compliance class based on the nature of the instances observed. Each class has specified results of non-compliance discovery,

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procedures for certification body and CAA action, and timelines for implementing corrective action plans. CAA designed the non-compliance structure to balance strong disqualifying thresholds with lower categories supporting systemic improvement through corrective action.

Table 18 below shows the definition of each non-compliance, type of non-compliance covered and result of non-compliance category.

Category	Disqualifying	Major	Minor	Recommendation
Definition	Significant violations that contradict the principles of the standard	Material issues identified during the audit that must be resolved prior to issuing a positive certification decision.	Technical issues identified during the audit that do not represent material deviations from the standard.	Guidance for future improvement and prevention of non-compliance. They support aligned best practices while accounting for variation in different geographic regions and organizational capabilities.
Types of non-compliance covered	<p>Willful deception of certifiers or provision of false information</p> <p>Refusal to provide audit access or relevant audit documents, or refusal to cooperate with the auditor</p> <p>Evidence of corruption, coercion, or bribery</p> <p>Lack of legal license(s) to operate, or lapse of relevant permit(s) for a period greater than twelve (12) months</p> <p>Gross negligence, willful violation, or repeated violations of basic</p>	<p>Non-compliance results in a fundamental or systematic inability to meet the objectives of the standard</p> <p>Non-compliance is seen to exist over a long period of time, be systematic or repeated throughout operations, or affect the integrity of the product or the reputation of the verification</p> <p>Significant discrepancies or gaps in documentation</p> <p>Other findings determined by the certifier to be</p>	<p>Clerical errors or inconsistencies in documentation</p> <p>Observed lapses in requirements that do not materially affect the certifier's ability to judge the entity's general compliance with the requirements of this standard</p> <p>Note that a substantive number of minor nonconformances may constitute a major nonconformance</p>	<p>Instances where minor non-compliance is open to interpretation</p> <p>Inconsistencies where continuation of practice could eventually lead to non-compliance</p> <p>Examples of best practices to provide options to reduce the need for auditor judgment in future audits</p> <p>Examples to support improvement towards preferred criteria</p>

	requirements related to fair labor, working conditions, health and safety, environmental responsibility, or chemical management	inconsistent with the requirements of this standard		
Results of non-compliance discovery	Audit immediately suspended Certificate will not be awarded or will be revoked if granted previously	Audit continues as planned Certification will not be awarded or renewed temporarily Applicant will have a window of 30 days from receipt of corrective action plan to respond with supporting evidence of compliance	Audit continues as planned Certification able to be awarded or renewed Participant has 1 year to resolve all minor non-compliances. Should any minor NC not be resolved after 1 year, it will be reclassified as a Major NC	Audit continues as planned Certification able to be awarded or renewed

Table 18

Review and Validation of the REM Verification Approach

As stated above, it is CAA's intention to consult with the industry to validate the applicability and the practicality of the proposed REM Verification Approach. As the REM concept remains new within the recycling end market entities, it is important to consider a phasing approach to drive toward continual improvement.

Therefore, during the first two quarters of 2025, CAA will launch a series of consultations with the industry, with the support of the different trade associations. CAA will also field test the approach with volunteers' end market entities. Finally, CAA will consult with other PROs and third-party certification schemes to compare verification criteria.

Informed by the results of that peer-reviewed process, CAA will update the verification approach, and will also consider how to add or edit criteria, such as energy use and GHG emissions, as proposed by DEQ. CAA will also consider offering a graduated recognition, where optional criteria that demonstrate preferred environmental and social performance that drive toward continual improvement are recognized.

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CAA also recognizes the need to update the standard periodically. ~~Along with other focuses,~~ it will support the need to consider emerging challenges such as microplastic pollution or toxicity. To that end, CAA will implement a continuous improvement process according to the following steps:

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1. Define overarching REM methodology update framework, with timelines for addition of new criteria and incorporation as auditable requirements (aligned with ISEAL Code of Good Practice and ISO methodologies).
2. Identify any gaps in using external third-party certification as part of the verification criteria and formulate guidance to overcome those gaps.
3. Conduct annual review of emergent ISO Standards, third-party methodologies, and in-practice techniques observed in REM audits.
4. Receive annual feedback from CBs on the standard implementation practicality and opportunities for improvement, including potential performance benchmarks.
5. By the end of the Program plan implementation, consult with DEQ with the results of #2 and #3 as well as recommendations for standard improvement to be implemented from 2028.
6. Adopt best practices, whether directly in the standard or as a preferred tier, for 2028.

Requests for Temporary Variance in Verification

Given REMs verification is an entirely new performance standard approach for evaluating end-markets, CAA is requesting a number of temporary variances for the first five years of the program operation so ~~that~~ end markets are prepared to adapt recordkeeping, business contracts and, if necessary, operations in order to meet the performance requirements. Time is needed to prepare for new audit systems, for the auditing industry to build sufficient auditing capacity, and time is needed to audit markets on a global scale. With additional state EPR programs coming online in 2026 and 2027, the rate of REMs verification will accelerate over the next five years. CAA is developing an auditing protocol that will meet the requirements of both Oregon and the other EPR jurisdictions so standardization for REMs verification can be created for recycling markets. Oregon has a history of creating a transition period for industry when new compliance requirements are set, and CAA is requesting the same approach be taken as CAA develops an entirely new REMs verification system that must be applied globally.

CAA requests a temporary variance from the required components of a verification, in the instances described below, until December 31, 2030, under the following conditions:

1. When another PRO has already approved the end market and deemed it responsible in accordance with Oregon REM standards. This indicates an end market has been third-party verified for at least a portion of the REM verification requirements and has had an auditor on site, which reduces the risk of major non-compliance. CAA requests this variance pursuant to OAR 340-090-0670(3)(h).

Other PROs periodically verify the end market on its performance (e.g. recycling yield) and compliance to their jurisdiction's requirements or the PRO's policy. For example:

- LDPE recyclers in North America that process materials from the agricultural sector may be audited by Clean Farms, a Canadian PRO for agricultural products

- Paper mills in Asia may be audited by Valipac, a Belgian PRO for packaging material, in compliance with the Waste Shipment Directive Regulation

CAA signals its intention to request a variance in instances where an entity can prove, with evidence, that it has been audited by a recognized PRO within the last three years and can provide a self-attestation of its compliance to REM standards under the RMA.

If an entity can only prove compliance against certain but not all REM standards (e.g. environmental compliance), CAA will undertake the verification against the missing REM criteria through desktop audit until the next audit cycle.

CAA will undertake a benchmarking assessment to compare the other PRO's criteria with CAA REM criteria presented in this document. This will allow CAA to identify the gaps that exist between other auditing systems and the REMs protocol, so additional criteria can be added to these auditing systems. The results of the benchmarking assessment will be provided to DEQ in a program plan amendment for the variance approval.

2. When an end market entity already has certification requiring verification (e.g. recycled content, food grade). This also indicates an end market has been third-party verified for at least a portion of the REM verification requirements and had an auditor on site, which reduces the risk of major non-compliance. CAA requests this variance pursuant to OAR 340-090-0670(3)(h).

Several entities are already engaged in different certification schemes, such as recycler certifications (e.g. EuCertPlast, FDA LNO) or recycled content certifications (e.g. RMS, SCS) or a health and safety certification (e.g. RIOS).

CAA intends to uphold the requirement to validate all necessary criteria while not replicating auditing that REMs may have validated through other programs.

The rationale is similar to what is detailed above for cases when there is verification from another PRO program.

CAA signals its intention to request a variance when an entity can prove, with evidence, that it has been audited by a recognized certification scheme within the last three years and can provide a self-attestation of its compliance to REM standards under the RMA.

If an entity can only prove compliance against certain but not all REM standards (e.g. environmental compliance), CAA will undertake the verification against the missing REM standards. If an entity has a combination of certifications that cover all areas of the REM criteria, a verification under the REM program will still be necessary; however, audit plans can be significantly reduced based on risk profile.

CAA will undertake a benchmarking assessment to compare third-party certifications criteria with CAA REM criteria presented in this document. It will allow CAA to identify the gaps that exist between other auditing systems and the REMs protocol, so additional criteria can be added to these auditing systems. The results of the benchmarking assessment will be provided to DEQ in a Program plan amendment for the variance approval.

3. Domestic paper mills will be deemed to reach the yield requirement if a visual inspection of pulper screenings reveals that a majority of carton fibers appears to have been pulped, unless CAA receives information on potential non-compliance or the on-site audit visit reveals that covered materials are being removed and disposed of before the pulping process. CAA requests this variance pursuant to OAR 340-090-0670(3)(h).

CAA has reached out to numerous paper mills in North America (as presented in Appendix D). Unanimously, paper mill operators have expressed strong concerns about sharing yield information, as it is part of their strategic advantage. All of them have also stated that they already largely surpass the 60% yield, especially if non-covered materials (i.e. contamination) are not part of the denominator.

Overall yield performance within the paper industry in North America has been confirmed by different entities, including the American Forest & Paper Association (AF&PA), the Technical Association of Pulp and Paper Industry (TAPPI), ~~and~~ Moore & Associates. For example, yields at board mills using OCC and mixed paper are always above 85%. Tissue deinking mills can have yields as low as 70%, but never below 60%. The previous numbers are for 100% recycle mills. "Blended" mills using wood, OCC and mixed paper overall have yields higher than 85%.

CAA understands the purpose of the yield calculation is to make sure that minority components in a mixed bale are not being diverted to landfill at an end market. As noted above, CAA suggests that the auditor for certification body(ies) pay additional attention to that aspect during the on-site visit.

CAA will undertake a review of the paper industry yield prior to December 31, 2030, in collaboration with the above-mentioned organizations. The results of this review will determine whether CAA requests to extend this variance.

4. Verification of end market entities for plastic will be at the reclaimer facilities, not at the converters. Plastics should not be treated differently than other materials, where the end market is defined as the reclaimer and at the point at which the material is a clean commodity ready for remanufacturing. CAA requests this variance pursuant to OAR 340-090-0670(3)(e).

Current definitions for plastic end market entities imply that when the application is food grade packaging or a children's product, REM verification occurs at the facility that uses flakes or pellets. Plastic reclaimers are strongly opposed to this requirement, because it implies that they provide their list of clients, which is not only very sensitive and confidential information, but also information that the reclaimer could not legally share in some instances, being bound by a non-disclosure agreement. Furthermore, other mechanisms (such as the FDA process for food contact safe PCR) are already ensuring the safety of products and mitigating contamination migration risks.

First, CAA requests a variance for converters ~~from the requirement~~ to provide self-attestation of their REM compliance. Second, CAA is setting up a REM council with representatives from the end market industry. It consists of consultations and field tests of the REM verification approach with targeted end market entities. This REM council process will address specifically the case of verifying end market at converters for food packaging and children's products applications. A

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report of the learnings will be sent to DEQ in May, with further recommendations on the converter verification approach in a 2025 program plan amendment.

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5. Domestic landfills will be deemed responsible, unless CAA receives information on potential noncompliance. CAA requests this variance pursuant to OAR 340-090-0670(3)(e).

Landfills and disposal sites in the U.S. and Canada are already verified and controlled periodically by local environmental agencies

CAA requests a variance for landfill or disposal sites in the U.S. and in Canada, as soon as they provide an operating permit delivered by the local authority. Verification might be performed if information regarding potential noncompliance is provided to CAA.

In summary, variance requests #1 and 2 are signaled in this plan and will be formalized through a subsequent plan amendment, variance requests 3-5 are presented for approval in this plan, and a follow-up variance request pertaining to request #4 is foreseen and therefore additionally signaled in this plan.

Notwithstanding the above variance requests, CAA reserves the right to undertake periodic verifications by reviewing certain documents or proof of REM compliance.

For variance requests #1 and #2 above, CAA is engaging in discussions with several PROs and third-party certification owners. In every case, CAA will review the methodology to measure compliance from those entities and compare with CAA's criteria to identify whether CAA could allow an end market entity to comply with one or several of the REM criteria. CAA will then engage with the PRO or the third-party certification owner to discuss collaboration. Once a collaboration agreement has been defined, CAA will share the results of the benchmark assessment and the form of collaboration with DEQ for approval through program plan amendments. Once approved by DEQ, the process to apply the variance will be as follows:

- Using initial self-assessment forms, CAA will obtain information on existing third-party certifications or other PROs' verification maintained by end market
 - CAA will then notify certification bodies of reduced audit needs
 - Certification bodies will complete REM audits, using inputs from third party certifications or other PROs' verification to support auditing, and noting non-compliances in all areas if observed

Tracking Material Flows

CAA is developing an internal material flow management system to enable continuous material tracking throughout the value chain. The material flow management system is a cloud-based platform that provides the following services, among other capabilities to be determined:

- **Collect and store integral data** from external service provider partners, from haulers to end markets, including loads and weights of materials received, processed and shipped out, inbound and outbound data, and information on interest holder process and environmental compliance. The system will

provide “track and trace” functionality with the ability to securely receive transaction data through, file upload, or secure web-based data entry

- **Protect confidential data.** The platform will implement data security measures that meet the highest security standards, including native encryption of all data, real-time event monitoring, field-level monitoring and audit trails, and field-level data sensitivity
- **Ensure independent verification.** Data and disposition reporting will be tracked and maintained in a manner that can easily be made available for auditing by authorized external parties
- **Report information** to interested parties for accountability through the secure-access interest holder portal

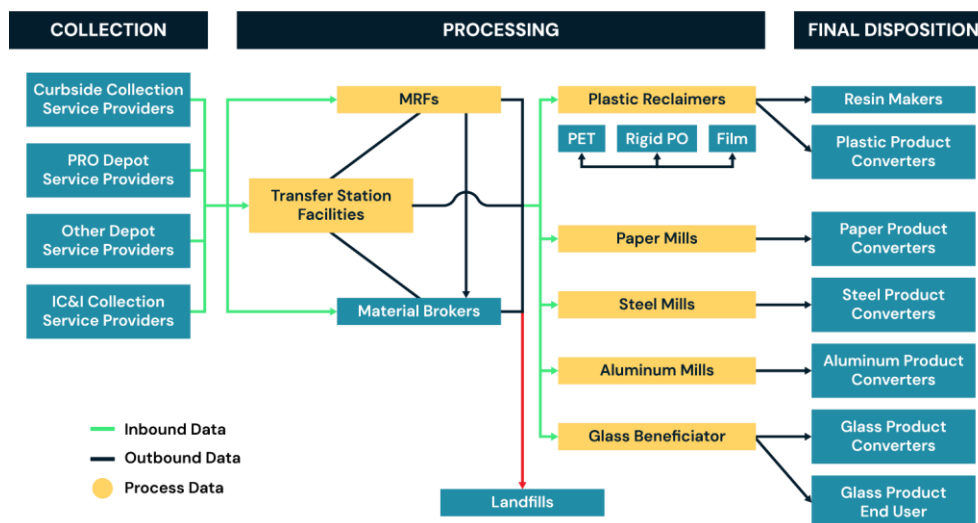


Figure 6. Infographic depicting the fate and transport of different materials from collection through to disposition

Accounting For Disposition and Yield

CAA’s verification standard will contain measures to account for end market variance in disposition and yield when obligated materials from Oregon mix with non-obligated materials from elsewhere.

The audited entity will be allowed to use one of the following chain of custody models defined by ISO 22095:2020:

- Controlled blending model
- Mass balance model with rolling average percentage method

The controlled blending model will be used when an entity is using materials from Oregon mixed with other sources in a batch production. ISO 22095 requires that the ratio between Oregon and non-Oregon materials is known for all outputs, at all times, for a contained volume. This model will be limited in its application as most of the recycling industry does not utilize batch production.

The mass balance model with rolling average percentage method will be used for continuous processes. This is the method most commonly used in the recycling industry, including for mechanical recycling of plastic. The model as defined by ISO 22095 requires calculating an average percentage of Oregon and non-Oregon materials for each output. It also requires a defined reconciliation period of making a claim. CAA defines those boundaries as follows:

- Single site only (no multiple sites possible)
- Average to be calculated on a quarterly basis
- Characteristic to be used: Oregon source vs non-Oregon source

Auditing the Verification Program

CAA plans to take a number of steps to ensure a reliable and high-performing REM system.

CAA, with RMS, will select certification bodies that are compliant with ISO 17065 (Conformity Assessment – Requirements for Bodies Certifying Products, Processes and Services). This will give CAA the confidence that the REM verification process will be undertaken with professionalism, ethics and neutrality.

CAA's verification program is based on ISO 19011 standards. For the verification to be performed efficiently, the CB usually guarantees the confidentiality of the information shared, providing a report that only states if the entity passes or fails compliance against the requirements. Nevertheless, whenever possible, CAA reserves the right to carry out spot checks of the verification work. For instance, CAA representatives and/or third-party certification scheme representatives will accompany the verification body for some random on-site visits and take other steps to audit the verification process. It will also spot check certain documents that can be made available to CAA.

CAA's verification approach includes a data review step, to be performed quarterly, to verify different data sources. An example would be spot bale audits or comparing a CRPF's outbound weight with the inbound information from a corresponding end market. Verification will be performed on 100% of outbound tonnage from CRPFs and PRO depots, with the exclusion of tonnages exempt from REM reporting requirements as de minimis.

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Random Bale Auditing

DEQ has granted CAA a 30-month delay on the obligation to conduct random bale tracking. DEQ may conduct this tracking itself, as it has authority to do so under OAR 340-090-0670(4), and will communicate results to CAA as they become available. CAA will report its analysis of and action steps pertaining to DEQ's results in its annual reporting.

Supporting Responsible End Markets

Supporting preparation of verification

As REM is a new concept, complying with the extended REM requirements will likely be viewed as onerous and complex for several end market entities. This is particularly the case for small and medium-sized companies that cannot rely on internal resources to prepare the necessary documentation to be compliant.

As for recyclers having to choose between one certification or verification over another, simply due to internal capacity, they will choose the one that is most often requested by their customers. Voluntarily taking on an extensive auditing protocol to gain access to a small fraction of the global volume of recyclables may be a challenging proposition for many recyclers.

Therefore, to incentivize REM auditing uptake, CAA will offer end market entities third-party consulting assistance to prepare for audits. This form of assistance may help recyclers overcome the challenge of limited internal capacity to prepare for a new, additional audit scheme. The funding support will take the form of a program end markets could apply to for reimbursement of the cost of contracting a consultant to support with audit preparation and/or required measurements. This is a financial support incentive offered in addition to CAA paying for the cost of REM verification for recyclers based on the CAA-determined prioritization.

Supporting end market development

On top of the special material investment highlighted in the Materials strategy section, which already includes end market development component, CAA's proposed budget includes a dedicated fund for end market development initiatives. The fund will be financed through producer fees and be approximately 3-5% of expected commodity values.

Every year, the fee schedule will determine the investment level to be incorporated into the Responsible End Market Development Fund. While 3-5% is established based on experience in other jurisdictions that have implemented EPR, the exact amount will be defined annually based on:

- Needs for end market development identified regionally
- Other partners' involvement
- Past financial results

CAA will use this fund to increase the use of post-consumer recycled materials in product manufacturing. Key targets of CAA's strategy for end market development are to:

- Improve the supply quality of recycled materials (i.e., bale quality)
- Increase market demand as collection volumes increase
- Enhance market stability

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Tracking from the curbside, to determine if household packaging ultimately ends up in a commodity bale or in landfill. As part of this effort, CAA will work with CRPFs to coordinate with their measurement of material capture rates to meet standards set in rule¶

Tracking from the CRPF, to determine the fate of loads of specific material managed by brokers¶

The approach to tracking from CRPFs will be informed by a risk analysis that will be evaluated according to several criteria, including but not limited to:¶

Shipment destination: Bales more likely to be sent to overseas markets will be prioritized¶

Number of entities handling material: Bales handled by the highest number of entities (i.e. different brokers) will be prioritized¶

Past audit results: Bales most likely to be sent to recyclers whose audit results have demonstrated minor or major non-conformance compliance on chain of custody documentation will be prioritized¶

Number of end markets: Bales that do not have a high number of responsible end markets will be prioritized¶

Based on initial assessments of the criteria the above, CAA will likely prioritize the random tracking of the following commodities:¶

Mixed paper (grade 54)¶

Cartons (grade 52)¶

Mixed plastic¶

CAA has held several discussions with tracking device providers, CRPFs and end market entities to define the best approach for random bale tracking. Both CRPFs and end market entities have expressed strong concerns about having battery-powered devices hidden in their supply. As highlighted by AF&PA and APR, representing respectively paper mills and plastic reclaimers, batteries are a growing concern for those facilities because of the fire risk. In recent years, more and more waste management and recycling facilities have experienced fires due to the presence of these battery-powered devices. A legal opinion provided to CAA outlines that CAA ...

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→ Enhance recycled material flows to higher-value end products

It is important to highlight that CAA has no ownership of materials on the USCL; therefore, CAA does not have the ability to drive change by agreeing to supply material to specific end markets. The role of CAA in promoting market development is to identify and address barriers and inefficiencies in the marketplace to make markets work better and to encourage recyclable materials suppliers, processors, and end users to be more effective players in the marketplace.

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CAA will therefore use the fund to incentivize best practices at reclaimers, such as implementing measures to mitigate contamination, improve cleaning processes, or produce high-grade end products. CAA intends to partner with other organizations that may provide grants for direct investments at end market entities. Following internal pre-assessment of existing markets, CAA has identified several commodities expected to require market improvement to satisfy RMA requirements for REMs. While all materials, especially plastics, may benefit from market improvement, some commodities have been identified as priorities for action:

- Mixed paper (grade 54)
- Cartons (grade 52)
- Glass
- Mixed plastics
- Flexible PE plastics
- Polystyrene
- PET thermoforms

CAA will maintain active market development programs for commodities and materials and will take reasonable and practicable steps to facilitate the sale of collected materials to responsible end markets.

CAA's ability to facilitate the flow of materials to responsible end markets is predicated upon the voluntary agreement of those entities that control the flow of those materials. Actions to support REM development may include:

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- Providing technical assistance, brokerage services, and/or information on responsible end markets to materials marketers
- Purchasing and reselling materials that otherwise are not being sold to responsible end markets (under certain conditions)
- Providing wherever possible a supply guarantee to reclaimers so they can secure investments. CAA will focus on taking ownership of commodities lacking end markets if agreed upon by CRPF(s)
- Incentivizing improvement and upgrades at end market entities through direct contracts for materials for which CAA has taken ownership
- Working in close collaboration with existing investors and market development program managers, such as The Recycling Partnership and Closed Loop Partners
- Working in close collaboration with public sector market development programs, such as those in California and Washington

- Assessing leverage to promote recycled content in products to pull market demand
- Other actions as needed to comply with Oregon law.

Specific actions/strategy will be developed for each commodity/material during the program plan review period and will be included in the revised program plan submission.

Producer Exemptions Under 459A.869 (13)

Under the RMA, producers can demonstrate that certain products are exempt from covered material requirements when those materials are not collected under an Opportunity to Recycle program, are not separated from other materials at a commingled recycling processing facility, and are recycled at a responsible end market.

Although demonstrating conformity with 459A.869(13) is not a formal PRO obligation, CAA will work with producers and recyclers where applicable to ensure that materials collected in relation to this potential covered material exemption are being recycled at REMs. This may include additional tracking and reporting requirements administered by CAA.

Responsible End Market Development Guiding Principles

The planned responsible end market development program will be guided by the following key principles:

1. **Partnership.** CAA will undertake investments in market development activities in partnership, where possible, with other parties (e.g. the private sector, local governments, and state and federal interests)
2. **Link to targets.** CAA's market development investments will be linked to material specific targets.
3. **No cross-subsidization.** CAA, wherever possible, will avoid cross-subsidization of material specific market development. For example, glass producers will be responsible for funding glass market development activities that are approved by the CAA Board. Where investments benefit a range of materials, costs will be allocated across all benefiting materials
4. **Competitive proposals.** Where feasible, CAA will implement a request for proposal/competitive bid process for allocating market development funds. CAA will identify its market development priority areas and will invite interested parties to submit proposals to meet CAA's requirements at the lowest cost. The final decisions regarding market development investments will rest with the CAA Board
5. **Prioritize regional and domestic markets.** Where feasible, efforts will be made first at a state/regional level, secondly on a U.S. level, and finally on a North American level. CAA will not make overseas investments
6. **Balance national and state needs.** CAA will aim to improve recycling capacity at a national level, while tailoring actions to meet the specific needs and opportunities of EPR states

Furthermore, CAA has defined a series of principles under which it will take practicable actions to ensure the integrity of REMs:

- CAA will take actions according to type of non-compliance (e.g. CAA will not take action for disqualification non-conformance)
- CAA will take practicable actions in priority at North American entities and will limit its actions overseas
- CAA may consider financial levers under specific considerations, in the form of financial de-risking measures
- CAA will not take actions if:
 - Other REMs already exist for the relevant material
 - The entity processes a low volume from Oregon
 - The entity is not financially stable

CAA will coordinate with industry interest holders when considering practicable actions for CAA to take.

viii. Upholding Oregon's Materials Management Hierarchy

CAA will uphold Oregon's materials management hierarchy, specifically with regard to the third principle: recycle material that cannot be reused, with preference given to recycling pathways, methods and responsible end markets that result in the greatest reduction of net negative impacts on human well-being and environmental health.

CAA has identified ~~these~~ end markets ~~for three priority materials~~, informed by the outcomes of DEQ's prior LCA work. In ~~this~~ third program plan submission, CAA outlines an initial graduated fee proposal based on current LCA rules and ecomodulation concepts (see "Financing" section of this plan). For future program plan amendments, CAA intends to extend its ecomodulation program to include additional criteria that will support the policy objectives and environmental outcomes intended to be achieved from the materials management hierarchy.

CAA will capture environmental impacts during the REM verification process. This information will include, wherever applicable, water usage, energy, waste generation, impacts of plastic pollution, etc., and will be gathered during the REMs verification process occurring throughout the course of the first program plan period.

Information gathered during the first program plan period will be used in the plan submissions for subsequent periods. CAA may be able to provide a preferred hierarchy of end markets, for PRO materials, based on that information. For USCL end markets, CAA will indicate which REMs have environmental impact information available, so CRPFs can further explore, and apply a hierarchy for material management with their end markets, if they so choose.

As new end markets are identified, the impact areas of that operation will be compared to information captured for existing REMs for similar materials.

REM auditors will note if the REM can supply information on impact areas.

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Material-Specific Strategies

Based on existing information and on DEQ analysis for specific end markets, glass, cartons and polystyrene require unique materials management strategies. CAA will work on selecting specific end markets for each of those materials, and the organization may compare the solutions through an LCA that follows ISO 14040 Standard (LCA principles and framework) to identify those with the better environmental outcomes.

CAA will apply the impact area data capture efforts, described above, to REMs verification for all materials.

Strategy for Glass

Apart from when glass is used in some aggregate applications, which would not be considered in alignment with Oregon's materials management hierarchy unless a LCA can prove otherwise, glass needs to be processed by a glass beneficiation plant before it is sent to final users. Since the first version of the program plan, CAA has engaged in discussions with representatives of Oregon glass beneficiation plant Glass-To-Glass inc. (G2G). CAA has also assessed different available markets once the material is being processed by G2G. As a result, CAA believes recovered glass could supply different glass container manufacturing and fiberglass manufacturing facilities located in the Pacific Northwest or in California.

It is CAA's belief that sufficient capacity exists for glass today, and so long as the existing capacity is maintained and qualifies as a responsible end market, CAA does not plan to invest in developing alternative markets for glass during the period of the first program plan. In the event that a new and substantially different end market expresses interest in processing Oregon covered glass during the period covered by the first program plan, CAA may conduct an environmental impact evaluation of that new end market relative to existing end markets for the purpose of informing future discussions regarding ORS 459A.896(2)(b).

Deleted: that no new markets need to be developed

CAA and G2G are in the process of engaging in a supply agreement for processing glass collected through on-route collection and PRO depots. To ensure the quality of collected glass is maintained, CAA will create targeted education materials to reduce contamination of the most problematic materials, such as ceramic and heatware.

Deleted: Therefore, CAA will not perform an environmental impact evaluation for alternative glass markets. This evaluation will only be conducted on available end markets. This evaluation may also be performed on a new end market that express interest in processing Oregon covered glass.

Strategy for Cartons

CAA will work in close collaboration with the Carton Council of North America (CCNA) to partner with specific end market entities that are involved in pulping activities, such as tissue production, notably in North America (e.g. Kimberly-Clark de México, S.A.B. de C.V., Sustana Fibers, and Tissue Depot formerly known as Great Lakes Tissue).

Strategy for Polystyrene

In accordance with DEQ's LCA on polystyrene, CAA will prioritize end markets that utilize mechanical recycling over non-mechanical recycling.

Strategy for All Plastics

While only glass, cartons, and polystyrene are prioritized for selective disposition action during the first program plan period, CAA will explore impacts of markets for other materials through the REM verification process, with the potential to prioritize additional materials in subsequent plan periods. The REM Verification process will pay specific attention to spill and leakage of plastics. A criterion in that regard is to be used during the audit, as described in section "viii. Ensuring Responsible End Markets."



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d. Education and Outreach

In this section of the plan, CAA details how it plans to conduct education and outreach activities in support of USCL and PRO Recycling Acceptance list materials, as well as the statewide promotional campaign.

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Due to the nature and timing of start-up activities required for education and outreach (previously an interim coordination task), CAA has integrated the requirements for that activity within this section. CAA and its partners plan to consult with local governments and their service providers, ORSAC, DEQ, and community-based organizations to garner feedback throughout the development of educational materials and plan formulation process.

i. Goals for Education and Outreach

1. Effectively build widespread recycling awareness among all Oregonians in the scope of the RMA, including residents living in single-family homes and multifamily communities, as well as commercial businesses, institutions, and non-governmental organizations. Awareness efforts will leave these waste generators with:
 - a. An understanding of the USCL and the PRO Recycling Acceptance List materials, as well as how to prepare those materials for recycling
 - b. Knowledge of which materials will be collected at curbside versus which materials will be handled at depot drop-off points and other drop-off locations (such as collection events)
 - c. Awareness of steps to prepare recyclable materials for collection and to limit contamination
2. Develop educational materials that are culturally responsive to diverse audiences across this state, including people who speak languages other than English and people with disabilities
3. Deliver support and messaging proven to effectively increase participation, boost capture of recyclables and reduce contamination. The education and outreach will contribute substantially to the established goal for increasing the plastics recycling rate (25% by 2028, 50% by 2040, and 70% by 2050), thereby contributing to the RMA's goal of maximizing the use of existing infrastructure
4. Include a systematic focus on and complement programmatic efforts to reduce contamination of recyclable material streams

Accomplishing these education and outreach goals ladders up to the overall program plan goals, in particular Objective 3 (improve public participation, understanding, and equity in the recycling system) and Objective 2 (increase the diversion of recyclable materials from disposal).

CAA proposes to conduct annual assessments of awareness and trust in the recycling system, as well as contamination audits to measure effectiveness of the campaigns and progress toward the goals outlined above.

ii. CAA's Education and Outreach Plan

CAA and partners, in consultation with ORSAC, will develop educational resources and promotional campaigns to promote the USCL, as well as depot recycling programs. CAA will coordinate and fund the distribution of education and outreach materials through statewide promotional campaigns following the first establishment of the USCL and after each revision of the USCL, but not more frequently than once per calendar year.

Supporting Widespread Awareness and Understanding

This section outlines CAA's proposed approach to building widespread consumer awareness and understanding of the USCL, the network for PRO Recycling Acceptance List materials and other recycling services available to them.

Audience Research: Measuring Customer Awareness and Trust

The target audiences for education and outreach efforts under the RMA are described broadly below. Residential audiences can be further segmented by demographic characteristics. A keystone workstream will be to complete in-depth audience research to effectively develop and deploy messaging that resonates with each group.

- Single-family household residents
- Multifamily household residents
 - Multifamily property management
- Residents that will utilize drop-off/depots
- Commercial businesses, institutions, and non-governmental organizations

Audience research will consist of the following activities:

- Statewide Quantitative Survey: Gather attitudes, perceptions and opinions on current recycling practices, and the current system including understanding and satisfaction
 - Explore knowledge and attitudes surrounding the recycling of certain materials
 - Identify gaps in recycling knowledge and points of confusion
 - Gather feedback on concepts/messaging in terms of relevance and motivation
- Qualitative Interviews:

- To be conducted with customers in the following languages to provide real-world insights to inform the production of non-English material: Spanish, Simplified Chinese, Traditional Chinese, Korean, Arabic, Russian, Vietnamese, Tagalog, Hindi, Somali and Ukrainian

Anticipated audience considerations include:

- 4.2 million residents, living across 1,642,451 households
- 120,704 employer establishments (single physical locations at which business is conducted or where services or industrial operations are performed; companies or enterprises may consist of more than one establishment)
- Translations and transcreations to the following language groups: Simplified Chinese, Traditional Chinese, Korean, Arabic, Russian, Vietnamese, Tagalog, Hindi, Somali and Ukrainian
- Responsive communications strategies to serve an increasingly diverse population
- Accounting for gaps in rural vs. urban use of internet to access government services
- An estimated 35% of Oregon's recycling is generated by the commercial sector, thus substantial investment is needed to effectively capture recyclables from this sector

Developing Messaging

Leveraging key insights from behavioral science research and best practices in motivational messaging for effective outreach, CAA and its partners propose to develop key messages tailored to different audiences in Oregon, which will likely include the Portland Metro Region, communities outside of the Metro region with more than 4,000 residents, and rural communities.

Messaging Best Practices

CAA proposes to leverage proven best practices in motivational messaging to build participant confidence, improve recycling behaviors among participants, and increase capture of recyclable materials. Motivational messages will be paired with instructional messaging, tailored to target audiences. Key messages that will be communicated to the public include but are not limited to:

- An explanation of the USCL
- An explanation of recycling services, including depots and how to sign up for/access services
- Accepted materials vs. not accepted materials
- Instructions for preparing materials for recycling
- Information on the importance of not placing contaminants in curbside recycling bins and carts
- Key messages will be clear and free of jargon

Consultation and Testing

Campaign messaging may incorporate the best practices described above but should be tested and refined to ensure local relevance and cultural sensitivity. CAA proposes to evaluate and adjust its messaging based on a statewide quantitative survey, focus groups, and consultation with Oregon recycling program staff as well as local CBOs.

Change Management

As the RMA is implemented, there will be differing changes to accepted materials lists across the state, and education and outreach will play a critical role in alleviating the burden and confusion of these changes on key audiences. For instance, as infrastructure and responsible end market development goals are met, the USCL and PRO Recycling Acceptance lists may evolve. Additionally, some communities may be exempt from implementing the USCL on the effective date and will come into compliance over time.

Importantly, the effects of these changes may be experienced unevenly across the state. For some communities, updates to the USCL could create feelings that materials are being taken away, and for others, it will be clear that materials are being added. The overall communications strategy must account for the implications of these perceptions and also strive to minimize confusion.

Material-Specific Considerations

Message development will account for the considerations identified in the Materials Strategy section above with regard to SIMs to the fullest extent possible.

For plastics in particular, the expectation is that the majority of resin types, with perhaps the exception of plastic films and expanded polystyrene (not collected curbside), may end up in curbside containers. All efforts will be made through education and outreach to limit contaminants and contamination, and advance collection of all plastics through the depot network where appropriate.

Delivering Messaging

CAA proposes adopting the following best management practices, where appropriate, for delivering communications and messaging to effectively capture attention and motivate appropriate recycling behaviors. Effective strategies will vary depending on the target audience, and are grouped as such:

General Best Practices:

- Behavioral research has not found general “awareness” campaigns to be effective in driving behavior change to increase recycling. Beyond ensuring that residents are aware of recycling in their community, efforts should focus on why and how to recycle
- To capture resident attention and motivate appropriate recycling behaviors, information should be provided to the resident close to where the behavior will occur – most likely, at home. This is what

makes direct mailing effective as well as equitable in reaching communities with lower internet accessibility rates

- Recent research suggests that information should only include up to five categories of accepted and unaccepted materials with images and clear language – any more is overwhelming to the resident. CAA will develop a strategy for clearly and succinctly communicating the USCL to customers, while ensuring that they also have access to detail guidance where needed
- Residents need to make the choice to recycle each day, which requires sustained effort. At least one annual mailer is a best practice as a minimum level of recycling education
- A dedicated recycling landing page on local government websites with relevant recycling information for all user groups is a strong step to help funnel searches from residents looking for information online
- All information should be presented using clear language.
- Direct mailings with a top issue (one item that is a top contaminant) are helpful in reducing contamination, especially when paired with cart tags
- Recycling messaging delivered by multiple mailers has been observed to significantly increase recycling participation in one pilot study
- Ongoing research findings imply that multiple interventions (e.g. mailers AND cart tags AND in-person outreach) may be required to meaningfully increase recycling
- Delivering messaging by cart tag is memorable and has proven effective at increasing recycling tons in several pilot studies

Multifamily Recommendations:

- When working with multifamily properties, education and support needs to be provided to residents and property managers. Materials should be written with both audiences in mind, with separate pieces for managers and residents
- Property managers need to be provided with information on regulations, best practices for recycling, how to set up recycling at the property, and resources to educate residents about how to recycle properly
- In-unit recycling bins or totes are a promising strategy for increasing multifamily resident participation, but further research is needed to understand the impact of this tool
- Signs posted near or on recycling containers can help to increase the clarity of what is accepted in the recycling stream. [Portland's free signs](#) are a great example of a helpful tool
- Behavioral scientists recommend introducing new concepts at points of change in people's lives – such as a move. A move-in packet that includes recycling information is a helpful tool for new residents

PRO Depot/Drop-Off Recommendations

CAA will ensure that in conjunction with messaging aimed at building awareness of the USCL, educational collateral and the statewide campaign will promote the depot network, including site locations and instructions for preparing materials. In addition, once customers arrive at the depot, it is important that they are provided with clear guidance and instructions.

- Clear signage with guidance and instructions at the drop-off location (both on containers and at the facility entrance) can help drive correct behavior
- Specific messaging provided around confusing and hard-to-recycle materials, such as film, will help waste generators correctly sort their recyclables
- A single-issue postcard can be used to highlight materials that are common contaminants

Recommendations for Commercial Businesses, Institutions, and Non-Governmental Organizations:

- Conduct outreach to business associations and chambers of commerce to share information about the USCL and the PRO Recycling Acceptance List, and offer technical assistance resources to help businesses throughout the state, especially outside of the Portland Metro area to:
 - Recycle covered materials
 - Recommend the use of internal collection bins and strategies for ensuring recycling is convenient for employees to access. Co-location of recycling and garbage containers is the most convenient setup within a business, both inside the businesses and for external containers
 - Establish guidelines and a minimum recycling service standard for recycling service by business type
- Make recycling signs and instructions available to businesses:
 - Create recycling sign portal with downloadable signs, or available for order and mailed to the business
 - All signs should clearly identify recyclable materials in no more than five categories and include the top five common contaminants in a “no” category
- Tailor messaging and support provided to businesses depending on size and generator type. Each of these generator types face different barriers to recycling, have different recycling systems in place and generate different types of recyclable materials:
 - Institutions: healthcare, university, schools
 - Franchise and chain businesses
 - Independent small businesses
 - Restaurants, retail and manufacturing

Developing Educational Materials

CAA will fund and coordinate the development of the following educational resources, which will be created with local government input and will help enable local governments to meet Opportunity to Recycle Act requirements. CAA will manage and fund the design and printing of education and outreach materials on behalf of local governments and their service providers. Local governments and service providers choosing to design education and outreach materials in-house and seek reimbursement from CAA will be required to meet minimum standards, such as using approved graphics and terms. These standards and other printing guidelines for E&O materials will be available upon request and via the E&O portal. These materials will communicate:

- Materials identified for recycling as described in the USCL
- Requirements to properly prepare materials for recycling
- The importance of not placing contaminants in commingled recycling collection
- Information about collection of materials on the PRO Recycling Acceptance List, including locations and instructions for preparing materials for drop-off

Educational Materials for Local Governments and Service Providers

Educational materials will be made available in digital and print formats for local governments. Materials will be translated and transcreated into Spanish, Simplified Chinese, Traditional Chinese, Korean, Arabic, Russian, Vietnamese, Tagalog, Hindi, Somali and Ukrainian.

Materials will be developed and made available in an electronic format via an online portal to local governments and their authorized service providers for download and customization to local conditions. Customization options will allow local governments to easily adapt the materials below to communicate their individualized phase-in timeline to their local public. Customization is also necessary in allowing for adaptation as accepted materials lists change over time due to end market dynamics and other factors.

Specific collateral will include:

- Photos/illustrations of accepted items and photos/icons of key contaminants
- Sample text for informative, motivational, and instructional messaging via newsletters, websites or social media
- A press release
- Web domain and QR code for public-facing website
- Handouts and/or mailers, including postcards, brochures, full-page flyers, door hangers, and a billing insert
- A social media toolkit
- Signage and stickers for depots, commercial and multifamily recycling enclosures
- Label/in-mold labels for roll carts and other containers used for the setout of recyclables (translated and transcreated into the languages cited above)

To support the use of the above materials, CAA will also produce and make available to local governments and their service providers a recommended messaging timeline, as well as a statewide style guide for consistent visual appearance in education and outreach materials.

Educational materials will be produced and made available to local governments in a series of batches. The batches are described in the following graphic.



Figure 7

Plans for an Online Portal

CAA proposes to provide an online portal for local governments and their designated service providers (and any other entities such as commercial businesses, if planned) to easily access, customize, print and mail educational collateral at no cost.

Users of the portal would be able to:

- Access templates for the various educational materials listed above that have been strategically designed based on best practices to effectively deliver recycling messaging
- Accommodate educational materials for relevance to different types of recycling programs, especially curbside pick-up and drop-off programs
- Produce coordinated educational material that is thematically aligned for cohesive recycling education and outreach across the state
- Customize materials in 10 additional non-English languages spoken in Oregon
- Easily customize materials to reflect their local contact information
- Customize materials to accommodate the different bin colors across programs

CAA has built support for local governments and designated service providers in the utilization of the portal into its staffing plans.

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Communicating Directly with the General Public

CAA will maintain a website for Oregon residents to learn about recycling by accessing information on the RMA, the USCL, collection points and depots, and in-home recycling best practices. CAA will also explore opportunities to implement responsive customer service tools via its website.

CAA will include messaging on its public-facing website that is aimed at building public confidence in the recycling system and the RMA. Messaging will include information about the PRO's requirement to ensure materials are transferred to responsible end markets and its methodology for doing so. Additionally, CAA will make life cycle assessments conducted by producers to meet obligations of the RMA accessible on this website and will accompany these postings with clear and jargon-free explanatory language to ensure this information is accessible to all members of the public.

Additionally, CAA will provide material for local governments to include on their websites, allowing local governments to include more detailed information about accepted and not accepted material. In this way, local governments will continue to serve as a resource for waste generators who want to learn more about recycling in their locality.

iii. A Description of the Statewide Promotional Campaign

CAA proposes to employ a phased approach to the statewide campaign that will focus on (1) communicating statewide changes to the recycling system in 2025 and introducing new resources, and (2) maintaining awareness throughout 2026 and 2027, while driving increased participation and capture to meet goals set by the RMA.

Throughout both phases of the education and outreach plan, CAA and partners will be focused on delivering messaging and collateral that builds awareness among Oregon residents and organizations and effectively introduces the USCL and PRO Recycling Acceptance List. The organization will leverage proven motivational, empathetic messaging in bold, bright colors that will appeal to recyclers who need more encouragement (based on our audience segmentation research), pairing that outreach with detailed instructions for customers to participate successfully in the new system.

The statewide campaign will provide messaging that is instructional and motivational in tone, as described in the graphic below. Instructional-toned collateral will convey basic material instructions including, but not limited to, how to prepare materials for recycling, common contaminants, and Yes/No lists. Motivational-toned collateral will focus on awareness of system change, the benefits of the new system and how to participate.

INSTRUCTIONAL TONE

Basic Materials Instructions
(Prep, Contaminants, Yes/No)

via Digital Portal

- USCL Guide & Visuals
- Style Guide
- Mailer/Poster/Brochure
- Label/In-Mold Graphic for Carts Container Sticker
- Poster (for Depot & Enclosure)
- Postcard
- Billing Insert

MOTIVATIONAL TONE

The System is Changing

via Digital Portal

- Social Toolkit
- Press Release
- Newsletter Article

via Statewide Campaign

- Media Ads
 - Video, Radio, Banner, Social, Native, OOH, Print, Search
- Website
 - The system is changing July 1 & why
 - Benefits of the new system
 - How to participate – action steps

Local Govts. can Adapt & Incorporate into Local Programs
Figure 8

Deployed by CAA at Launch

Phase One/Year 1: Program Launch

Dates: Begins July 1, 2025, extending as recommended throughout the calendar year.

Phase Description: Introduction of the USCL and PRO Recycling Acceptance List. Getting the right information to the right audiences to educate and encourage them to recycle and increase awareness.

Anticipated Channels: Television and cable, digital TV, digital pre-roll (including YouTube), radio, digital audio and podcasts, display on select Oregon news sites and banner ads, billboards and transit ads, search, print newspapers and community media to reach multicultural audiences, and residential mailings.

- Key Insight: Based on 2023 pilots, display ads were a top source of impressions and clicks, driving website traffic at a higher rate than the rest of the tactics and showed the highest click-through rate (CTR) of the channels. Display ad average CTR is 800% higher than the average industry benchmarks, making this a great potential channel for Phase 1

Special Audience Considerations:

CAA proposes to explore the option of creating (not simply translating) an original Spanish language campaign that would parallel the English statewide campaign

Desired Outcomes:

- Drive audiences to key PRO resources (i.e., the PRO's website)
- Increase awareness of new recycling guidelines, including both the USCL and PRO Recycling Acceptance List
- Increase public confidence in Oregon's recycling program
- Begin to drive increased participation

Phase Two/Years 2 and 3: Continued Engagement Phase / Material-Specific Supports

Dates: January 2026 through December 2027

Phase Description: Deliver support to effectively engage frequent, infrequent, and non-participating audiences and achieve increased capture of target materials. It is also possible that during these subsequent years, additional changes will be made to the USCL and PRO Recycling Acceptance List, and therefore elements of this phase will need to be focused on communicating those changes and managing customer expectations.

Anticipated priority channels:

- Leverage moments of change (e.g. recycling welcome kits for residents who fill out change of address forms)
- CBO engagements, especially for equitable outreach

- Ads: television and cable, digital TV, digital pre-roll (including YouTube), radio, digital audio and podcasts, community media, Google search, Meta, native, phone texts, CTV/OTT (streaming TV)

Desired Outcomes:

- Continue to drive audiences to key PRO resources (e.g., the PRO's website)
- Continue to build confidence in Oregon's recycling program
- Achieve increased participation in local recycling programs and PRO depots
- Increase the capture of recyclable materials, with a focus on underperforming target materials

Campaign Applications and Channels

CAA proposes the following campaign, intended to be deployed in the phased approach described above:

- Advertising assets: Video, radio, banner, social, outdoor, print, search and community media ads.
- Recycling signage/decals for depots, enclosures and carts
- Print materials: Up to three brochures or full-page flyers as well as a mailer, cart tag and a door hanger

iv. A Culturally Responsive Approach

CAA will ensure that educational materials and campaigns are culturally responsive to diverse audiences across this state, pursuant to ORS 459A.893(3). This includes, at a minimum:

- Including people who speak languages other than English and people with disabilities
- Ensuring materials, including labels/in-mold graphics for roll carts, are printed or produced in languages other than English and are accessed easily and at no cost to local governments and users of the recycling system

Translation and Transcreation

CAA proposes to translate and transcreate all education and outreach materials into those languages spoken in Oregon by at least 2,000 people over the age of five who spoke English less than very well according to the most recent American Community Survey. These languages are Spanish, Simplified Chinese, Traditional Chinese, Korean, Arabic, Russian Vietnamese, Tagalog, Hindi, Somali and Ukrainian. CAA also plans to create a process through which local governments can request translation or transcreation into additional languages spoken in Oregon by at least 1,000 people over the age of five who spoke English less than very well according to the most recent American Community Survey.

In-language content will be transcreated, not simply translated. CAA and partners will engage linguists and multicultural experts to ensure materials resonate with intended audiences by taking into account language,

but also cultural relevancy. For example, materials for different multicultural communities would be designed with images of recyclable items that are most commonly found in the households of the community that is being targeted. CAA understands that under ORS 251.167, information on the most-commonly spoken languages in the state of Oregon and its counties is updated periodically for the purpose of disseminating accessible information on voting to the public. CAA will use this information in formulating and updating its plan to fulfill these accessibility requirements.

Translations and transcreations include up to 10 digital ads, recycling enclosure signs, three brochures or full-page flyers, and up to three print designs (either for a postcard, mailer, door hanger or similar sized piece).

Co-Creation

Co-creation will be employed for development of campaign materials and multifamily outreach. Co-creation gives community members a chance to participate in campaign design through community-level listening sessions to deepen mutually beneficial relationships. Other connective strategies could be use of an advisory board, active liaisons, or trusted advisors.

Accounting for Future Diversity

The U.S. Census Bureau considers Oregon among the states rapidly becoming more diverse with time. Any outreach plans developed to educate and inform the public about recycling should strive to be responsive to future changes to Oregon resident demographics.

CAA will closely monitor updates in the American Community Survey to ensure transcreation and other elements of the education and outreach strategy remain in line with demographic shifts within the state.

Engagements with Community-Based Organizations

To achieve an inclusive and equitable education and outreach program, CAA plans to engage community-based organizations (CBOs) as advisors to its education and outreach efforts, as well as implementation partners.

Throughout the program plan period, CAA will consult with at least 10 community-based organizations to secure their feedback on USCL and PRO Recycling Acceptance List images, key terms, instructions and communications strategies. CBO participants will be compensated for their participation in consultations.

To ensure that translation and transcreation work is effectively informed by local expertise, CAA also intends to work with CBOs to recruit participants for audience research relating to the creation of materials in Spanish, Simplified Chinese, Traditional Chinese, Korean, Arabic, Russian, Vietnamese, Tagalog, Hindi, Somali and Ukrainian.

Designed for Accessibility

Educational materials created for the campaigns will follow ADA compliance and best practices as well as the principles of universal design, where products, services or environments are designed so that anyone – no matter their age or ability – can use that design with minimal or no accommodations. Examples include:

- Considering color blindness and legibility when selecting color palettes, fonts, text size and imagery. This could include avoiding small print and reverse type and leveraging color blindness testing tools for designers
- Ensuring all elements meet or exceed the Web Content Accessibility Guidelines 2.1 AA (WCAG) requirements
- Building accessible features into electronic versions of collateral that are intended for the general public so they include “alt text” for images and all copy and visuals are “screen reader ready”
- Using plain language and using simple sentences with relevant examples
- Making use of imagery, icons and other visuals rather than large blocks of text to more quickly and easily communicate information and demonstrate processes
- Providing materials in a range of formats to reach across digital access and literacy gaps (e.g. digital ads as well as television, radio, print, and outdoor ads and offering detailed information via websites as well as printed mailers and brochures)

v. Schedule Including Proposed Timings for Start-Up Approach

CAA and its partners propose to develop educational collateral and the subsequent implementation strategy of the statewide promotional campaign in a deliberate and phased approach. Batches of collateral and their expected release dates are summarized in the below graphic.



Figure 9

The visual timeline for this proposed implementation plan can be found in the updated program implementation timeline featured in Appendix M.

Throughout the first program plan, CAA will consult with local governments and communities across Oregon on the development of E&O materials. CAA will summarize, share and incorporate, when possible, community and partner feedback.

CAA will produce a schedule of continued engagement with interested parties covering the term of the first program plan period following the completion of Batch 4 materials, which has an established consultation strategy. The learnings, including contamination reduction and customer understanding, from program plan one will be reviewed with DEQ and the Recycling Council to inform the E&O practices in future program plans.

June – September 2024:

- Quantitative survey of Oregon residents, analysis, and reporting of results and key findings
- Develop campaign strategy based on survey results and existing best practices
- Preliminary concepting for the campaign
- Kick off engagement with CBOs and local governments to consult on strategy
- Work with ORSAC to set a presentation schedule through July 1, 2025

- Confirm the material approval schedule with OR DEQ through July 1, 2025.

Late September 2024:

- Proposed Activity: Consult with ORSAC Education and Outreach Committee to review and provide Quantitative Audience Survey results, campaign name and logomark.

August–October 2024:

- Develop USCL instructions/communications strategy, including key terms
- Local government review of USCL instructions/communications strategy, including key terms

Late October 2024:

- Proposed Activity: Consult with ORSAC Education and Outreach Committee to review and provide feedback on the draft campaign concept prior to testing.
- Conduct qualitative interviews with CBOs and representatives from local governments to test and refine the campaign concepts

Early December 2024:

- Proposed Activity: Detailed report on audience research and campaign concept recommendation presented to ORSAC, with materials to be provided at least two weeks prior

December 2024 – March 2025

- Conduct qualitative audience testing to inform transcreation of outreach materials
- Produce batch 1 materials (those required for April 4, 2025 distribution): USCL guide, label/in-mold graphic for roll carts, style guide, messaging timeline, newsletter article, web domain/QR code
- Local governments to review batch 1 materials over two periods
- Initial drafting of batch 2 materials (those required for May 16, 2025 distribution): Social toolkit, press release, newsletter article, website, print materials – USCL mailer/poster, postcard, bill insert, depot/enclosure signage, available in agreed-upon languages
- Local governments to review the relevant parts of batch 2 materials over two periods
- Develop media planning strategy and establish hotsheet of advertising specifications

By February 1, 2025

The following beta materials will be available to local governments and service providers for download by February 1, 2025:

- Graphics showing materials on the USCL as well as key contaminants and materials that may be removed from some local collection programs
- USCL Guide in English and Spanish
- Newsletter article in English and Spanish
- Cart label in English and Spanish

Note: beta materials are expected to be very similar to final materials. They are being made available to local governments and service providers early to ensure materials meet pre-established non-RMA deadlines.

March 2025:

- Proposed Activity: Present batch 1 materials to ORSAC
- Submit batch 1 materials to DEQ for approval

Key Deliverables by April 4, 2025

The following **guidance documents and editable design files** will be available to local governments and service providers for download:

1. Images of all materials on the USCL, materials being removed from lists around the state, and contaminants of concern, in both low and high resolution
 - i. A label/in-mold label graphic for roll carts
 - ii. A style guide to help ensure waste generators experience a unified aesthetic and feel whenever and wherever they receive recycling information in the state (see attached example of Metro Multifamily Decals and Signage Playbook) that includes fonts, colors, as well as a vetted list of terms (e.g., when to use “bins” versus “carts,” “recycling” versus “recyclable materials,” etc.) in agreed-upon languages
 - iii. A recommended phased messaging timeline for local governments and service providers to adhere to
2. A customizable newsletter-style article outlining relevant details related to the RMA
 - iv. A QR code to public-facing website with an identifiable and memorable domain name that local governments and service providers can use to direct their residents/customers to more information

March – June 2025

- Complete production of batch 2 materials for May 16 distribution.
- Initial drafting of batch 3 materials (those required by July 4) – Website strategy, design, development and QC to have live, updated with downloadable materials.
- Initial production of batch 4 materials (those required by August 1) in English – ad materials – video, radio, banner, social, native, OOH, print, search.

- Local governments to review batch 4 English materials over two 2-week periods
- Upon approval of English materials, transcreated materials will be developed
- PR planning, messaging and materials development (early milestone is 'change is coming' release)
- Initiate business association outreach
- Initiate mail house coordination
- Design, build and test education and outreach electronic portal

Key Deliverables by May 16, 2025

Electronic Portal launches by May 16 to support outreach efforts conducted by local government and service providers. The following materials will be available for download via electronic portal:

1. Social media toolkit with messaging in agreed-upon languages
2. Example and customizable brochure in agreed-upon languages that is simple, clear, and free of jargon that also serves as mailer/poster and includes:
 - a. Basic preparation information ("empty and dry")
 - b. Top 3-5 contaminants to keep out
 - c. Limited Yes/No poster that can be posted near receptacles and includes a QR code to the public-facing website with comprehensive list of accepted items and contaminants
3. Additional example and customizable resources, including social media toolkit, newsletter, postcard, billing insert, press release, available in agreed-upon languages, that deliver the following messages:
 - a. The system is changing July 1 and why
 - b. Benefits of the new system
 - c. How to participate—action steps
4. Example and customizable container stickers and depot/enclosure posters and signage in agreed-upon languages, available in different sizes developed through consultation with local government

May – June:

- Complete production of batch 3 materials for July 4 release.
- Ongoing business association outreach
- Ongoing mail house coordination
- PR planning, messaging and materials development
- PR materials development
- Initiate media negotiation and coordination

Key Deliverables by July 4, 2025

The following **print materials** will be available for local governments and service providers to order for delivery by July 4, available in different sizes developed through consultation with local governments in agreed-upon languages, made of waterproof materials that are appropriate for indoor and outdoor use:

1. Signage for depots and commercial and multifamily recycling enclosures
2. Stickers for roll carts/containers

A live **public-facing website** with memorable domain name, populated with change-is-coming messaging will also be available by June 1. Information posted to the site will explain/include the items below. Information will be available/accessible in all agreed-upon languages:

1. The Oregon recycling system is changing July 1, and why
 - v. The benefits of the new system
 - vi. How to participate—action steps
 - vii. A downloadable poster to hang near receptacles that includes:
 - a. Basic preparation information (“empty and dry”)
 - b. Limited Yes/No list
 - c. QR code to the website itself with comprehensive list of accepted items and contaminants
 - viii. A complete Yes/No list for materials, closer to <https://www.oregon.gov/deq/recycling/Documents/rmaMatAccept.pdf>, but using customer-friendly terminology
 - ix. Detailed preparation information and list of common contaminants

Key Deliverables by August 1, 2025

- Formal campaign launch
- All other USCL educational resources made available

2026–2027

- Campaign continues as described in the campaign section of the education and outreach plan

vi. Relevant experience

Given its widespread reputation as a leader in recycling education, The Recycling Partnership has worked with CAA to develop plans for the education and outreach aspects of the program plan. CAA will also consult with The Recycling Partnership to execute the education and outreach plan. CAA believes the team tasked with delivering this work needs to have:

- **Industry Knowledge** – A deep understanding of the recycling and waste management sector, including knowledge of current trends, challenges, and opportunities specific to Oregon. The qualified firm will have considerable experience with deploying recycling education and outreach campaigns that measurably improve the performance of recycling programs
- **Communication Expertise** – Proven experience in developing comprehensive communication strategies that resonate with diverse audiences. The firm will show demonstrated proficiency in utilizing various communication channels, including traditional media, social media, and digital platforms
- **Interest Holder Engagement** – Experience identifying and engaging with key interest holders, including local governments and recycling service providers. This experience should extend to building collaborations to enhance the reach and impact of campaigns
- **Campaign Development** – Previous success in developing and implementing large-scale, statewide campaigns. The goal is outreach that leverages creativity and innovation to craft compelling messages and materials that effectively convey the campaign's goals
- **A Data-driven Approach** – Utilization of data and analytics to inform the development of materials and to measure the success of outreach interventions
- **Cultural Sensitivity** – Understanding of the cultural diversity within the state, ensuring that the campaign is inclusive and resonates with various demographic groups
- **Adaptability** – Flexibility to adapt strategies based on feedback, changing circumstances, and emerging trends

Financing

a. Membership Fee Structure and Base Fee Rates

i. Reporting Categories (Product Speciation for the Fee Structure)

CAA proposed a product speciation list of 60 material categories in the previous draft of the program plan and carries that proposal to this program plan draft, grouped by eight material classes as described below. This list was developed based on our understanding of the RMA requirements, our experience with EPR programs in other jurisdictions, and the USCL and PRO accepted material lists developed by DEQ as a part of rulemaking. We also considered its potential for “nestability” with other EPR programs, such as California, to enable producer reporting synergies between Oregon and other state programs. Until producers report their actual weights of supplied materials in the first quarter of 2025, CAA can only provide the CAA fee methodology and draft base fee estimates [expressed as a range](#). In this third program plan, CAA presents an updated base fee schedule, encompassing 60 material categories and reflecting updated system costs based on the results of the Oregon Recycling System Optimization Project (ORSOP). The table below shows the list of USCL and PRO Recycling Acceptance List (RAL) materials, along with the acceptance of each of those materials.

Material Class	Reporting Category – Revised	Accepted: USCL or LG Depot	Accepted: PRO RAL
Printing and Writing Paper	Newspapers	Y	N
	Newsprint (inserts and circulars)	Y	N
	Magazines, Catalogs and Directories	Y	N
	Paper for General Use	Y	N
	Other Printed Materials	Y	N
Glass and Ceramics	Glass Bottles and Jars & Other Containers	N	Y
	Ceramic – All Forms	N	N
Metal	Aluminum Containers	Y	N
	Aluminum Foil and Molded Containers	N	Y
	*Aluminum Aerosol Containers	N	Y
	Aluminum Other Forms	N	N
	Steel Containers	Y	N
	*Steel Aerosol Containers	N	Y
	Steel – Other Forms	N	N
	Metal – Small Format	Y	Y

	*Pressurized cylinders	N	Y
Paper/Fiber	Aseptic and Gable-top Cartons	Y	N
	Kraft Paper	Y	N
	Corrugated Cardboard	Y	N
	Corrugated Cardboard (Tertiary/transport) non-consumer	Y	N
	Paperboard	Y	N
	Polycoated Paperboard	N	N
	Other Paper Laminates	N	N
	Other Paper Packaging	Y	N
	Paper - Small Format	Y	N
Plastic - Rigid	PET (#1) - Bottles, Jugs, and Jars (Clear/Natural)	Y	N
	PET (#1) - Bottles, Jugs, and Jars (Pigmented/Color)	N	N
	PET (#1) - Tubs	Y	N
	PET (#1) - Thermoformed Containers, Cups, Plates, Trays	N	N
	PET (#1) - Lids	N	N
	PET (#1) - Other Rigid Items	N	N
	HDPE (#2) - Bottles, Jugs and Jars (Clear/Natural)	Y	N
	HDPE (#2) - Bottles, Jugs and Jars (Pigmented/Color)	Y	N
	HDPE (#2) - Pails & Buckets	Y	Y
	HDPE (#2) - Tubs, Nursery (plant) pots & trays	Y	N
	HDPE (#2) - Package Handles, Lids	N	Y
	HDPE (#2) - Other Rigid Items	N	N
	PVC (#3) - Rigid Items	N	N
	LDPE (#4) - Bottles, Jugs and Jars	N	N
	LDPE (#4) - Lids	N	Y
	LDPE (#4) - Other Rigid Items	N	N
	PP (#5) - Bottles, Jugs and Jars	Y	N
	PP (#5) - Tubs, Pails and Buckets, Nursery (plant) pots & trays	Y	Y
	PP (#5) - Lids	N	Y
	PP (#5) - Other Rigid Containers, Cups, Plates, Trays (non-nursery (plant))	N	N
	PP (#5) - Other Rigid Items	N	N
	*PS (#6) Expanded/Foamed Hinged Containers, Plates, Cups, Tubs, Trays, and Other Foamed Containers	N	N
	*PS (#6) White Expanded/Foamed Cushioning	N	Y

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	*PS (#6) Colored Expanded/Foamed Cushioning	N	N
	PS (#6) Rigid Non-Expanded	N	N
	PLA, PHA, PHB – Rigid Items	N	N
	Other/Mixed Rigid Plastic	N	N
Plastic – Flexible	HDPE (#2)/LDPE (#4) Flexible and Film Items	N	Y
	HDPE (#2)/LDPE (#4) (Pallet Wrap) non-consumer	N	Y
	PP (#5) Flexible and Film Items	N	N
	PLA, PHA, PHB – Flexible and Film Items	N	N
Plastic – Other	Plastic Laminates and Other Flexible Plastic Packaging	N	N
	Plastic – Small Format	N	Y
	Plastic containers for motor oil, antifreeze, or other automotive fluids, pesticides or herbicides, or other hazardous materials (flammable, corrosive, reactive, toxic)	N	N
Wood and Other Organic Materials	Wood and Other Organic Materials	N	N

Table 19

Table 19 indicates the material categories that will be used for producer reporting for setting the 2025 and 2026 fee schedule. For the 2027 fees, to better differentiate recyclables and non-recyclables, CAA will

- o break the category “Plastic – Small Format” into two categories:
 1. “Plastic – Small Format – PE and PP caps and lids, HDPE package handles” accepted on the PRO RAL and.
 2. “Plastic Small Format.” Not accepted on either USCL or PRO RAL
- o break the category “Other Paper Packaging” into two categories:
 1. “Other Paper Packaging” accepted on the USCL and.
 2. “Other Paper Packaging – Molded Pulp Food Serviceware.” Not accepted on either USCL or PRO RAL

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ii. Development of the Base Fee Algorithm

In the fall of 2023, CAA began developing a national fee-setting methodology to be deployed to all EPR enacted states where CAA is a PRO and has the authority to set producer fees. As the methodology development continued through 2024, CAA also established a set of guiding principles to inform the development of fair and equitable fees payable by producers. The guiding principles underpinning the fee-setting methodology are:

CAA Fee-Setting Guiding Principles

1. **Harmonization:** The national fee-setting methodology will be used consistently across states, but the fee rates will vary by state due to differing state requirements and program costs.
2. **Fairness:** Producers supplying covered materials to consumers must contribute to the costs of the recycling system, including producers that use materials that are not recycled.
3. **Material-Specific Costs:** Fee rates will reflect **material-specific management costs in each state** using the best available data.
4. **Commodity Revenue:** Fee rates will **reflect state-specific commodity revenues**, and these revenues will be attributed to the corresponding material categories that earned them.
5. **Ecomodulation:** Fee-setting will account for measurable environmental objectives and **state-mandated ecomodulation** policies.
6. **Responsible End Markets:** Fee-setting will **factor in the development and maintenance of viable responsible markets** with any associated costs attributed to the material category that requires end market development.
7. **Clarity:** Fee-setting materials and consultations will be prepared and conducted in a manner that **clearly communicates** to producers the principles, methodologies and approach that CAA is using to determine fee rates.

These principles provide guidance for the development of a fair, transparent and effective fee-setting methodology for producers. For covered materials that are neither collected nor recycled, producers of those materials will still incur fees to cover the cost of the recycling system in accordance with the Fairness principle.

CAA Fee-Setting Methodology (Base Fees)

As part of the fee-setting development process, CAA evaluated past and present frameworks used in other jurisdictions that have implemented EPR for paper, food serviceware and packaging. CAA continued development of its draft methodology after the submission of the first program plan. CAA will adopt the current methodology, used to set the fees in this program plan, in all other EPR state programs where CAA has the authority to determine the methodology. Given the complexity of preparing producers to report

data for ecomodulation, CAA completed further consultations with its members and other parties to address DEQ's proposed LCA impact rule concepts.

To determine the base fees, the fee-setting methodology allocates the estimated material management costs to covered materials based on their share of supply tons. Material cost variations exist in part because CAA incorporated material-specific cost indices generated by an Oregon-based Activity-Based Costing (ABC) model into the fee allocations process. Other factors, such as commodity revenues and share of supply tons also play a role. The indices represent the varying costs that each material incurs in the recycling system as it is being managed from collection to transfer and consolidation, and then transportation to processing facilities. These indices are used to approximate the relative cost proportionality of covered materials managed in the program to avoid arbitrary cross-subsidization outcomes and to ensure that the requirement under ORS 459A.884(3)(b) is satisfied.

The base fees reflect CAA's material-specific funding obligations in Oregon. For example:

- The Processor Commodity Risk Fee (PCRF) is apportioned to the material categories on the USCL that flow through a CRPF;
- The Contamination Management Fee (CMF) is apportioned to a portion of the material categories that fall on the PRO RAL and covered products that are not currently collected and would be considered contaminants;
- PRO depot costs are apportioned to the material categories that are included on the PRO RAL;
- Transportation reimbursement costs are borne by USCL materials;
- Collection operating costs are not reflected in the fees because this is covered by ratepayers

Similarly, the system expansion costs and operating costs identified through the ORSOP process have been assigned to material categories that receive direct PRO funding under the construct of the RMA.

The base fee schedule will be updated annually at a minimum, to reflect changes to producer supply tons, system operations and costs. The base fee schedule meets the state-mandated requirement under ORS 459A.884(3)(a) ~~that~~ the average base fee rates for covered materials that are not accepted for recycling ~~shall be~~ higher than the average base fee rates for materials that are accepted for recycling in Oregon.

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Summary

- The CAA base fee-setting methodology ensures fairness for producers by differentiating material fees based on each material's supply, cost and revenue profiles
- Materials with the highest supply quantities and management costs pay the highest share of costs
- Materials generating the most commodity revenues benefit from the largest reduction in costs
- Materials that are recycled at high rates do not pay a higher share of costs relative to lower performing materials. This ensures that the core fee principles of Fairness, Material-Specific Costs and Commodity Revenues are upheld.

Separate Allocations for USCL and PRO Recycling Acceptance List Materials

In the Oregon program, there are three separate groups of covered materials: USCL, PRO recycling acceptance list, and materials not accepted for recycling. The first two groups have distinct management systems and funding obligations, e.g. the PRO is obligated to fund the expansion of on-route collection of USCL materials but not the actual collection services of USCL materials, whereas for materials on the PRO recycling acceptance list, the PRO must develop a depot network to receive these materials and then transfer them to a sorting facility or end market. To avoid cross-subsidization of the fees between these groups, the allocation of materials management costs is done within cost boundaries between these material groups.

While materials not accepted for recycling may not incur an equally high amount of management costs, they will contribute their portion of fees based on their share of supply tons multiplied by cost indices of similar materials. Specifically Identified Materials (SIMs) and other strategic materials targeted for investments are assigned investment costs directly based on their needs.

Program-Generated Revenues

Program-generated revenues are attributed to the materials that earned those revenues to reduce their share of material management costs. Crediting materials with the revenues they specifically generated rather than to the whole system provides an incentive to producers to choose packaging materials that have developed end markets.

In rare instances, materials may generate revenues that exceed their share of program costs. In such a case, the associated producer may receive an incentive payment instead of having to remit fees. To address commodities that receive negative revenues, the portion of revenues that is negative will be deducted from system revenues and treated as material-specific costs.

Where CAA only has visibility to the lump-sum system net cost for the program, we will first derive an estimate for system revenues by using the summation of material quantities recycled multiplied by each material's commodity price index. The estimated system revenue will then be allocated to materials.

Metrics and Other Data Inputs Used to Set Fees

In developing the draft fees, CAA relied on cost estimates and data modeling of critical data inputs provided by ORSOP and CAA project team members with expertise in other EPR programs. CAA relied on Oregon-specific data where possible to conform with CAA's fee-setting principles. Once the Oregon program launches, CAA will use actual supply and recycling data to inform fee-setting.

Allocation of Non-Material Management (Indirect) Costs



Non-material management costs include program operations and administration, program development and regulatory costs. These costs generally account for under 10% of annual program budgets and they have different cost drivers than material management costs. As these costs are often borne by all covered materials, they are allocated to materials using a different approach than material management costs.

Publisher In-Kind in Lieu of Paying Fees (Print and Online Advertising)

In accordance with ORS 459A.884(7), CAA shall accept the value of print and online advertising services in lieu of all or a portion of fees payable by newspaper or magazine publishers. Eligible publishers shall notify CAA of their intention to participate in the program, and CAA staff will work with each participating publisher to develop a plan for advertising opportunities that align with CAA's needs and advance the objectives of the program.

The fee payment deadline for participating publishers will be deferred with extended payment terms to accommodate CAA's validation of the in-kind contributions during the program year. Participating publishers will apply to CAA for a credit to fees payable to CAA. The credit amount shall represent a fair market value for in-kind services and is subject to audit and verification by CAA. If approved, CAA will apply the credit to the participating publisher's account. Publishers are expected to pay the base fee in its entirety as outlined in the fee schedule unless an in-kind fee credit is applied, and any remaining balance after credits are applied will need to be paid in full. More details will become available as part of the CAA policy on in-kind contributions for publishers.

Confidentiality

As per OAR 340-090-0710(2), CAA's fee-setting methodology is considered proprietary and confidential information. The detailed methodology will be included as part of a confidential addendum to the Program Plan submission.

iii. Draft Base Fee Schedule Ranges

CAA is publishing the full detailed fee schedule for 60 material categories using two illustrative fee scenarios in this program plan as a requirement from DEQ's internal management directive (IMD). By using the two scenarios of fees with varying levels of estimated supply tons, CAA is also creating awareness for producers about the critical impact that supply reporting has on the variability of material fee rates.



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Note that uncertainty around fee rates remains in place, due to a lack of producer supply data. Until producers report their actual amount of supplied materials in the first quarter of 2025, only the fee-setting methodology and a range of fee estimates can be provided.

In this plan submission, CAA is publishing an updated program cost budget that is informed by the outcomes of ORSOP, and CAA is also publishing a full base fee schedule with fee rates for 60 material categories for DEQ's approval. The low and high scenarios reflect the varying levels of producer supply reporting expected.

Given that the system expansion investment needs identified through the ORSOP survey were less costly than those of DEQ's 2023 needs assessment, and that some depot operating costs came down due to co-location opportunities, the overall program costs have decreased.

The final 2025 detailed fee schedule will be published in June 2025 after Oregon producers complete their supply reporting.



Draft Base Fee Rate Estimates – Full Fee Schedule for 60 Materials

Materials labeled N/A in the following table are not accepted on either the USCL or PRO Recycling Acceptance List.

			LOW				HIGH			
Material Class	Covered Material	Type	Base Fee Rate	SIM Portion	Disposal Portion	Fee Rate	Base Fee Rate	SIM Portion	Disposal Portion	Fee Rate
Printing and Writing Paper	Newspapers	USCL	1.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	1.0 ¢/lb	1.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	1.0 ¢/lb
	Newsprint (inserts and circulars)	USCL	1.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	1.0 ¢/lb	1.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	1.0 ¢/lb
	Magazines and Catalogues & Directories	USCL	1.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	1.0 ¢/lb	1.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	1.0 ¢/lb
	Paper for General Use	USCL	1.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	1.0 ¢/lb	1.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	1.0 ¢/lb
	Other Printed Materials	USCL	1.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	1.0 ¢/lb	1.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	1.0 ¢/lb
Glass and Ceramics	Glass Bottles and Jars & Other Containers	PRO	10.0 ¢/lb	0.7 ¢/lb	0.0 ¢/lb	10.0 ¢/lb	13.0 ¢/lb	1.0 ¢/lb	0.0 ¢/lb	14.0 ¢/lb
	Ceramic – All Forms	N/A	44.0 ¢/lb	0.0 ¢/lb	3.2 ¢/lb	48.0 ¢/lb	59.0 ¢/lb	0.0 ¢/lb	4.3 ¢/lb	64.0 ¢/lb
Metal	Aluminum Containers	USCL	6.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	6.0 ¢/lb	8.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	8.0 ¢/lb
	Aluminum Foil and Molded Containers	PRO	42.0 ¢/lb	1.6 ¢/lb	0.0 ¢/lb	43.0 ¢/lb	56.0 ¢/lb	2.2 ¢/lb	0.0 ¢/lb	58.0 ¢/lb
	Aluminum Aerosol Containers	PRO	59.0 ¢/lb	14.0 ¢/lb	0.0 ¢/lb	73.0 ¢/lb	79.0 ¢/lb	18.7 ¢/lb	0.0 ¢/lb	98.0 ¢/lb
	Aluminum Other Forms	N/A	32.0 ¢/lb	0.0 ¢/lb	3.2 ¢/lb	35.0 ¢/lb	43.0 ¢/lb	0.0 ¢/lb	4.3 ¢/lb	47.0 ¢/lb
	Steel Containers	USCL	3.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	3.0 ¢/lb	3.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	3.0 ¢/lb
	Steel Aerosol Containers	PRO	59.0 ¢/lb	14.0 ¢/lb	0.0 ¢/lb	73.0 ¢/lb	79.0 ¢/lb	18.7 ¢/lb	0.0 ¢/lb	98.0 ¢/lb
	Steel – Other Forms	N/A	21.0 ¢/lb	0.0 ¢/lb	3.2 ¢/lb	24.0 ¢/lb	28.0 ¢/lb	0.0 ¢/lb	4.3 ¢/lb	32.0 ¢/lb
	Metal – Small Format	PRO	23.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	23.0 ¢/lb	31.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	31.0 ¢/lb
Paper/Fiber	Pressurized cylinders	PRO	96.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	96.0 ¢/lb	128.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	128.0 ¢/lb
	Aseptic and Gable-top Cartons	USCL	15.0 ¢/lb	14.6 ¢/lb	0.0 ¢/lb	29.0 ¢/lb	20.0 ¢/lb	19.4 ¢/lb	0.0 ¢/lb	39.0 ¢/lb
	Kraft Paper	USCL	3.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	3.0 ¢/lb	3.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	3.0 ¢/lb
	Corrugated Cardboard	USCL	3.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	3.0 ¢/lb	3.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	3.0 ¢/lb

			LOW				HIGH			
Material Class	Covered Material	Type	Base Fee Rate	SIM Portion	Disposal Portion	Fee Rate	Base Fee Rate	SIM Portion	Disposal Portion	Fee Rate
	Corrugated Cardboard (Tertiary/transport) non-consumer	USCL	3.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	3.0 ¢/lb	3.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	3.0 ¢/lb
	Paperboard	USCL	3.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	3.0 ¢/lb	3.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	3.0 ¢/lb
	Polycoated Paperboard	N/A	28.0 ¢/lb	1.2 ¢/lb	3.2 ¢/lb	32.0 ¢/lb	37.0 ¢/lb	1.6 ¢/lb	4.3 ¢/lb	43.0 ¢/lb
	Other Paper Laminates	N/A	27.0 ¢/lb	0.0 ¢/lb	3.2 ¢/lb	31.0 ¢/lb	37.0 ¢/lb	0.0 ¢/lb	4.3 ¢/lb	41.0 ¢/lb
	Other Paper Packaging	USCL	3.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	3.0 ¢/lb	3.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	3.0 ¢/lb
	Paper – Small Format	USCL	32.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	32.0 ¢/lb	43.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	43.0 ¢/lb
Plastic – Rigid	PET (#1) – Bottles, Jugs, and Jars (Clear/Natural)	USCL	17.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	17.0 ¢/lb	23.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	23.0 ¢/lb
	PET (#1) – Bottles, Jugs, and Jars (Pigmented/Color)	N/A	55.0 ¢/lb	0.0 ¢/lb	3.2 ¢/lb	58.0 ¢/lb	73.0 ¢/lb	0.0 ¢/lb	4.3 ¢/lb	78.0 ¢/lb
	PET (#1) – Thermoformed Containers, Cups, Plates, Trays	N/A	22.0 ¢/lb	30.4 ¢/lb	3.2 ¢/lb	55.0 ¢/lb	29.0 ¢/lb	40.5 ¢/lb	4.3 ¢/lb	74.0 ¢/lb
	PET (#1) – Tubs	USCL	23.0 ¢/lb	3.9 ¢/lb	0.0 ¢/lb	27.0 ¢/lb	31.0 ¢/lb	5.2 ¢/lb	0.0 ¢/lb	36.0 ¢/lb
	PET (#1) – Other Rigid Items	N/A	55.0 ¢/lb	0.0 ¢/lb	3.2 ¢/lb	58.0 ¢/lb	73.0 ¢/lb	0.0 ¢/lb	4.3 ¢/lb	78.0 ¢/lb
	PET (#1) – Lids	N/A	43.0 ¢/lb	0.0 ¢/lb	3.2 ¢/lb	46.0 ¢/lb	57.0 ¢/lb	0.0 ¢/lb	4.3 ¢/lb	61.0 ¢/lb
	HDPE (#2) – Bottles, Jugs and Jars (Clear/Natural)	USCL	17.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	17.0 ¢/lb	23.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	23.0 ¢/lb
	HDPE (#2) – Bottles, Jugs and Jars (Pigmented/Color)	USCL	19.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	19.0 ¢/lb	25.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	25.0 ¢/lb
	HDPE (#2) – Pails & Buckets	PRO/USCL	31.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	31.0 ¢/lb	41.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	41.0 ¢/lb

			LOW				HIGH			
Material Class	Covered Material	Type	Base Fee Rate	SIM Portion	Disposal Portion	Fee Rate	Base Fee Rate	SIM Portion	Disposal Portion	Fee Rate
	HDPE (#2) – Tubs, Nursery (plant) pots & trays	USCL	19.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	19.0 ¢/lb	25.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	25.0 ¢/lb
	HDPE (#2) – Package Handles, Lids	PRO	31.0 ¢/lb	1.5 ¢/lb	0.0 ¢/lb	32.0 ¢/lb	41.0 ¢/lb	2.0 ¢/lb	0.0 ¢/lb	43.0 ¢/lb
	HDPE (#2) – Other Rigid Items	N/A	63.0 ¢/lb	0.0 ¢/lb	3.2 ¢/lb	67.0 ¢/lb	84.0 ¢/lb	0.0 ¢/lb	4.3 ¢/lb	89.0 ¢/lb
	PVC (#3) – Rigid Items	N/A	78.0 ¢/lb	0.0 ¢/lb	3.2 ¢/lb	82.0 ¢/lb	105.0 ¢/lb	0.0 ¢/lb	4.3 ¢/lb	109.0 ¢/lb
	LDPE (#4) – Bottles, Jugs and Jars	N/A	78.0 ¢/lb	0.0 ¢/lb	3.2 ¢/lb	82.0 ¢/lb	105.0 ¢/lb	0.0 ¢/lb	4.3 ¢/lb	109.0 ¢/lb
	LDPE (#4) – Lids	PRO	31.0 ¢/lb	2.3 ¢/lb	0.0 ¢/lb	33.0 ¢/lb	41.0 ¢/lb	3.1 ¢/lb	0.0 ¢/lb	44.0 ¢/lb
	LDPE (#4) – Other Rigid Items	N/A	63.0 ¢/lb	0.0 ¢/lb	3.2 ¢/lb	67.0 ¢/lb	84.0 ¢/lb	0.0 ¢/lb	4.3 ¢/lb	89.0 ¢/lb
	PP (#5) – Bottles, Jugs and Jars	USCL	44.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	44.0 ¢/lb	58.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	58.0 ¢/lb
	PP (#5) – Other Rigid Containers, Cups, Plates, Trays (non-nursery (plant))	N/A	22.0 ¢/lb	6.9 ¢/lb	3.2 ¢/lb	32.0 ¢/lb	30.0 ¢/lb	9.2 ¢/lb	4.3 ¢/lb	43.0 ¢/lb
	PP (#5) – Lids	PRO	31.0 ¢/lb	2.3 ¢/lb	0.0 ¢/lb	33.0 ¢/lb	41.0 ¢/lb	3.1 ¢/lb	0.0 ¢/lb	44.0 ¢/lb
	PP (#5) – Tubs, Pails and Buckets, Nursery (plant) pots & trays	USCL /PRO	31.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	31.0 ¢/lb	41.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	41.0 ¢/lb
	PP (#5) – Other Rigid Items	N/A	63.0 ¢/lb	0.0 ¢/lb	3.2 ¢/lb	67.0 ¢/lb	84.0 ¢/lb	0.0 ¢/lb	4.3 ¢/lb	89.0 ¢/lb
	PS (#6) Expanded/Foamed Hinged Containers, Plates, Cups, Tubs, Trays, and Other Foamed Containers	N/A	190.0 ¢/lb	0.0 ¢/lb	3.2 ¢/lb	194.0 ¢/lb	254.0 ¢/lb	0.0 ¢/lb	4.3 ¢/lb	258.0 ¢/lb

			LOW				HIGH			
Material Class	Covered Material	Type	Base Fee Rate	SIM Portion	Disposal Portion	Fee Rate	Base Fee Rate	SIM Portion	Disposal Portion	Fee Rate
	PS (#6) White Expanded/Foamed Cushioning	PRO	108.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	108.0 ¢/lb	144.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	144.0 ¢/lb
	PS (#6) Colored Expanded/Foamed Cushioning	N/A	190.0 ¢/lb	0.0 ¢/lb	3.2 ¢/lb	194.0 ¢/lb	254.0 ¢/lb	0.0 ¢/lb	4.3 ¢/lb	258.0 ¢/lb
	PS (#6) Rigid Non-Expanded	N/A	67.0 ¢/lb	0.0 ¢/lb	3.2 ¢/lb	71.0 ¢/lb	90.0 ¢/lb	0.0 ¢/lb	4.3 ¢/lb	94.0 ¢/lb
	PLA, PHA, PHB – Rigid Items	N/A	78.0 ¢/lb	0.0 ¢/lb	3.2 ¢/lb	82.0 ¢/lb	105.0 ¢/lb	0.0 ¢/lb	4.3 ¢/lb	109.0 ¢/lb
	Other/Mixed Rigid Plastic	N/A	63.0 ¢/lb	0.0 ¢/lb	3.2 ¢/lb	67.0 ¢/lb	84.0 ¢/lb	0.0 ¢/lb	4.3 ¢/lb	89.0 ¢/lb
Plastic – Flexible	HDPE (#2)/LDPE (#4) Flexible and Film Items	PRO	54.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	54.0 ¢/lb	72.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	72.0 ¢/lb
	HDPE (#2)/LDPE (#4) (Pallet Wrap) non-consumer	PRO	54.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	54.0 ¢/lb	72.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	72.0 ¢/lb
	PP (#5) Flexible and Film Items	N/A	104.0 ¢/lb	0.0 ¢/lb	3.2 ¢/lb	107.0 ¢/lb	138.0 ¢/lb	0.0 ¢/lb	4.3 ¢/lb	143.0 ¢/lb
	PLA, PHA, PHB – Flexible and Film Items	N/A	104.0 ¢/lb	0.0 ¢/lb	3.2 ¢/lb	107.0 ¢/lb	138.0 ¢/lb	0.0 ¢/lb	4.3 ¢/lb	143.0 ¢/lb
	Plastic Laminates and Other Flexible Plastic Packaging	N/A	104.0 ¢/lb	0.0 ¢/lb	3.2 ¢/lb	107.0 ¢/lb	138.0 ¢/lb	0.0 ¢/lb	4.3 ¢/lb	143.0 ¢/lb
Plastic – Other	Plastic – Small Format	PRO	31.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	31.0 ¢/lb	41.0 ¢/lb	0.0 ¢/lb	0.0 ¢/lb	41.0 ¢/lb
	Plastic containers for motor oil, antifreeze, or other automotive fluids, pesticides or herbicides, or other hazardous materials (flammable, corrosive, reactive, toxic)	N/A	201.0 ¢/lb	0.0 ¢/lb	3.2 ¢/lb	205.0 ¢/lb	269.0 ¢/lb	0.0 ¢/lb	4.3 ¢/lb	273.0 ¢/lb

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Material Class	Covered Material	Type	LOW				HIGH			
			Base Fee Rate	SIM Portion	Disposal Portion	Fee Rate	Base Fee Rate	SIM Portion	Disposal Portion	Fee Rate
Wood and Other Organic Materials	Wood and Other Organic Materials	N/A	154.0 ¢/lb	0.0 ¢/lb	3.2 ¢/lb	157.0 ¢/lb	206.0 ¢/lb	0.0 ¢/lb	4.3 ¢/lb	210.0 ¢/lb
			Average Fee Rate		17.0 ¢/lb		Average Fee Rate		23.0 ¢/lb	

Table 20

Note the fees are directly proportional to the reported volumes, underpinning the importance of accurate producer reporting in advance of the July 1, 2025, program start date. As part of the fee-setting process, CAA aggregated some material categories because they are generally handled in the same way and they ship in the same commodity bale. Categories affected include: 1) all printed papers, 2) aluminum and steel aerosols, 3) kraft paper along with paperboard and other paper packaging, 4) lids, 5) flexible films, and 6) the majority of rigid plastics (with the exception of PET and HDPE bottles). Aggregation of those categories only occurred if the material categories had like treatment, either being collected on the USCL list, the PRO RAL, or were a non-accepted material.

Accurate fee-setting for EPR requires four key pieces of information:

- 1) An understanding of the universe of obligated producers;
- 2) Reliable program cost estimates;
- 3) Availability of critical data inputs; and
- 4) Accurate reporting of supply weights by material type across which program costs can be spread

With the completion of ORSOP, CAA is now equipped with the information necessary to finalize the program budget. Data from ORSOP also allows CAA to present more accurate, but not yet final, fee rate estimates for the proposed 60 fee reporting categories in this program plan submission. The types of information from ORSOP that were used in this program plan are described in Appendix E.

Having assessed this new information from ORSOP, CAA has determined that there is an overall, substantial cost reduction to the planned program. However, even with the refinement of estimates based on ORSOP results, it is important to note that rates can only be finalized once producer supply data is received in the first quarter of 2025.

Flat Fees

In accordance with ORS 459A.884(6), CAA proposes tiered uniform fees for low volume producers with gross revenues of less than \$10 million or covered materials sold for use in Oregon of less than five metric tons. Producers with gross revenues of less than \$10 million but supplying covered materials sold for use in Oregon greater than five metric tons, or vice-versa, may also choose to pay a flat fee according to the following schedule:

Tiered Flat Fee Structure (for producers with gross revenues of \$5m up to \$9.999m)		
Annual Supply Tons (Metric)	Low	High
1 to 2.5 tons	\$700	\$900
Over 2.5 tons to 5 tons	\$1,400	\$1,900
Over 5.0 to 7.5 tons	\$2,400	\$3,100
Over 7.5 tons	\$3,300	\$4,400

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Table 21

** These flat fee tiers are available to producers with over \$10 million in gross revenues.*

DEQ's feedback to CAA from the first program plan was to extend the tonnage tiers to allow low volume producers with greater than five tons to participate. DEQ also suggested that low volume producers who do not wish to declare which tier they belong to should pay the highest level of flat fees. Low volume producers who are eligible to pay flat fees have the option to:

1. Report all packaging weights and pay actual base fees
2. Report against a flat fee tier reflecting a producer's total weights, and pay the corresponding flat fee, or
3. Not report at all, and pay the highest flat fee

iv. Producer Fee Incentives, Other Than Graduated Fee Adjustments

Oregon's Recycling Modernization Act mandates that the average fee rate for covered materials that are not accepted for recycling be higher than the average fee rate for covered materials that are accepted for recycling, as outlined in ORS 459A.884(3)(a). This statutory requirement is arguably a fee incentive that is implemented within the base fee structure, outside of Graduated Fees.

v. Meeting the Statutory Requirement

In accordance with ORS 459A.884(3)(a), Oregon program base fees need to satisfy the requirement for the average base fees for all covered materials not accepted for recycling to be higher than the average base fees for all covered materials that are accepted for recycling in Oregon. This requirement has been met in the current draft fee schedule, as outlined in the following table:

Avg. Fee	Low	High
USCL	3 ¢/lb	4 ¢/lb
PRO	26 ¢/lb	34 ¢/lb
N/A	61 ¢/lb	81 ¢/lb
	17 ¢/lb	23 ¢/lb

Table 22

As part of CAA's fee-setting methodology, CAA also developed a discretionary state-adjustment factor (SAF) that will be activated when the average fee of not accepted materials is lower than the average fees of accepted materials. The activation transfers material management (MM) costs from the group of accepted materials to the group of non-accepted materials to generate a positive fee difference of no more than \$1/ton or 5¢/lb between the average base fee rate of not accepted materials and the average base fee rate of accepted materials. After the cost transfer is complete, the newly assigned MM costs are allocated amongst the non-accepted materials based on their material management cost proportions. The non-material management costs of the non-accepted materials will also be reallocated, as a result of this transfer of MM costs. The goal of the SAF is to ensure that the statutory fee-setting condition is met.

This factor shifts material management costs from the group of accepted materials to non-accepted materials to generate a positive delta between the average base fees of not accepted materials and accepted materials. Once transferred, the costs are allocated amongst the non-accepted materials based on their material management cost proportions. Below are the calculation steps for the state-adjustment factor:

1. One hundred percent of the material management costs are allocated by material-specific supply tons using the material cost indices generated from activity-based costing. The non-material management costs are allocated by the material management cost allocation ratio.
2. The average fees of accepted and not accepted material are calculated, as shown in the below table. If the accepted material fee is lower than the not accepted material fee, then the requirement is met, and no further action is required.
3. However, if the accepted material fee is higher than the not accepted material fee, as in the below illustrative example where the fee per ton for not-accepted materials is at \$88.98 and accepted material is at \$103.24 (which is lower by \$14.26), then the requirement is not met.

4. In the next step, an optimized percent (8%) of material management cost is assigned to not-accepted materials to make their fees higher than accepted materials. Excel goal seek function (Newton-Raphson method) is used to calculate the optimized percent to create a positive difference between accepted and not accepted materials. The remaining 92% of material management cost is allocated using the supply tons and material cost index.
5. The non-material management costs are allocated by the new material management cost allocation ratio after the state-adjustment factor calculation.
6. The new fee per ton will meet the requirement as demonstrated in the table below:

The numbers mentioned in the example are for illustrative purposes only.

Material Type	Average Fee per Ton	Average Fee per Ton with State-Adjustment Factor
Accepted	\$103.24	\$95.10
Not Accepted	\$88.98	\$96.10
Difference	-\$14.26	\$1.00

Table 23

CAA requests the flexibility to extend the application of the SAF to adjust base fees for specifically identified materials and not-accepted materials within the eight material classes (listed in the draft base fee schedule table above) to ensure that the fee structure disincentivizes producers from choosing lower cost, non-accepted (and non-recyclable) materials. For this application, the SAF may be used to transfer material management costs within a material class, from specific materials that have a SIM designated for on ramping to the USCL, to not-accepted materials without an identified on-ramping pathway. Doing so will help ensure that the SIM work, such as on-ramping strategy for not-accepted materials and improving end market outcomes for accepted materials, will not be compromised or delayed in instances where other non-accepted materials may have much lower fees than materials with specific investments to onramp to the USCL. The fees for SIMs, which require some intervention to improve outcomes and reduce environmental impact may be substantially higher (due to the need for capital investments) than a substitutable material that is not recyclable or may cause disruption in the recycling system. If a fee differential persists, producers may be less incentivized to shift to the material slated for SIM intervention, and those anticipated beneficial outcomes of SIM investments could be delayed. Once reliable data are compiled from LCAs, CAA will need to employ the use of maluses and develop a principle for applying them to problematic materials.

CAA will only apply the SAF individually to a particular not-accepted material for the course of this program plan period. Should CAA wish to continue applying the SAF individually to a material, CAA will request approval again in the 2028-2032 program plan. Furthermore, application of the SAF to individual, non-accepted materials will not result in violation of the statutory requirement that across the material portfolio and on a ton-weighted average, non-recyclables are charged higher fees compared with recyclables. CAA acknowledges that DEQ has authority to adjust SIM designations at any time, following a consultation with

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the Recycling Council. In the event that a covered product is either added to or removed from the list of SIMs, CAA would propose to keep fees the same (that is, not apply the SAF) until such time as CAA either updates the entire fee schedule for all covered products, or submits and receives approval from DEQ of an amendment to this program plan.

This additional tool in the fee-setting process supports the state's goals of reducing environmental impacts while keeping LCAs as the foundation for eco modulation under the RMA.

In the first program plan submission, CAA did consider recyclability as a performance factor in the development of the fee-setting methodology due to the requirement for relative recycling rates to be considered for ecomodulation under ORS 459A.884(4). CAA described an approach, where a portion of the costs of managing covered products in Oregon would be allocated to individual materials according to their relative recycling rate, such that the materials with higher recycling rates would be assigned a smaller portion of the cost and vice versa. CAA did not carry forward this option at the time because this would have required an "alternative membership fee structure" pursuant to ORS 459A.884(5), and CAA was also putting focus on prioritizing environmental impact reduction as the prime basis for ecomodulation.

Nonetheless, CAA anticipates revisiting the merit and feasibility of using recycling performance for covered materials as a factor in producer fees in subsequent plan periods.

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b. Graduated Fee Algorithm and Methods

i. The Algorithm and Accompanying Descriptive Text for the Proposed Graduated Fee Structure

As per ORS 459A.875(2)(a)(F), the Oregon program shall encourage producers to make continual reductions in the environmental and human health impacts of covered materials. This will be administered through a graduated fee structure, called ecomodulation, as described in ORS 459A.884, that will be used to adjust fees for producers who make or have made (within a two-year period) impactful changes to the ways in which they produce, use and market covered materials in Oregon. According to DEQ's latest "Guidance on Ecomodulated Fees," while the law requires PRO(s) to consider at a minimum the five factors¹³ listed in the statute, it does not require any of those factors to be included in the fee schedule.¹⁴

¹³ The five factors listed in 459A.884(4) are (a) The post-consumer content of the material, if the use of post-consumer content in the covered product is not prohibited by federal law; (b) The product-to-package ratio; (c) The producer's choice of material; (d) Life cycle environmental impacts, as demonstrated by an evaluation performed in accordance with ORS 459A.944; and (e) The recycling rate of the material relative to the recycling rate of other covered products.

¹⁴ DEQ (2024). [Guidance on Ecomodulated Fees – Plastic Pollution and Recycling Modernization Act \(SB 582, 2021\)](#), pg. 3.

CAA continues to fully support the notion of developing a graduated fee structure to incentivize producers to continually reduce environmental and human health impacts and commits to implementing a fee methodology that meets these regulatory requirements. Through the incentive of the significant impact reduction, the bonus aims to drive innovations in packaging design, production and material selection that lead to continual impact reductions, a core objective of the RMA. A summary of LCA bonus types and how they deliver the requirement for upholding the principles of impact reduction can be found in Table 25.

Because ecomodulation relies heavily on robust SKU-level packaging data, CAA needs to ensure sufficient readiness on the part of producers to capture this type of data and on the part of CAA's internal portal and systems to be able to intake non-weight supply-based data. To be prudent, CAA will also need to model out financial impacts to the program with the introduction of any ecomodulation scheme. Introducing ecomodulation in the first program plan period is challenging. Generally, in other jurisdictions where PROs have introduced ecomodulation adjustments, they have done so for mature programs that already have established material base fees, have had time to ensure accurate producer reporting, and have the historic data necessary to model the financial impacts of different types of fee adjustments.

The life cycle evaluation (LCE) rules, specifically OAR 340-090-0910(3), require producer responsibility organizations to grant two bonuses for voluntary disclosure in a project report of a producer's life cycle environmental impacts of one or more of its covered materials. CAA will comply with these rules, adopted by the Environmental Quality Commission, in this initial program plan. The second bonus required by DEQ, the Substantial Impact Reduction Bonus, requires producers interested in obtaining the bonus to make a before and after life cycle evaluation of the impacts of a change to a covered material.

In this program plan submission, CAA offers to grant¹⁵ two voluntary LCA bonuses to producers. The high-level principles underpinning the design of these bonuses are:

- Phase in implementation and introduce caps to limit financial exposure to the program
- For Bonus A, the level of incentives should correlate with the level of supply
- For Bonus B, the level of incentives should correlate with the level of supply and environmental impact reduction
- The level of incentives must not exceed the producer's base fees for a material category
- All producers are paying their fair share of fees and will be eligible to receive bonuses proportional to their level of impact.

To align with administrative rules, both bonuses require the producer to conduct an LCA in accordance with DEQ's life cycle evaluation rules (LCE rules) and prepare a qualifying project report for certain covered materials in their packaging portfolio. The cost of LCAs can vary widely, depending on whether each

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¹⁵ These LCA evaluation requirements for the bonuses are separate from the LCA mandated requirements of the top 25 producers who are required to conduct LCAs on their 1% of SKUs.

producer has in-house capabilities to develop LCAs or will need to contract out the development of LCAs. Third-party verification of the LCAs, which is also required by the LCE rules, will also impact the costs.

Because of this wide variability in costs on producers, the level of the bonus set should correlate with the level of impact of a producer's packaging, and the corresponding level of impact reduction resulting from a producer action to address that impact. Accordingly, CAA will index the bonuses to a producer's supply quantity of the covered material. This approach creates more of a level playing field for all producers, because producers are paying fees and receiving bonuses proportional to their supply quantities and are eligible to receive bonuses proportional to their level of environmental impact.

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Through a program plan amendment, CAA intends to introduce a third LCA bonus, Bonus C, which CAA will grant to producers that transition from single-use packaging to reusable or refillable packaging and successfully demonstrate significant impact reductions. CAA will design this Bonus to conform to the rules adopted in Phase II rulemaking. Details on Bonus C will be submitted in the same program plan amendment containing the material on-ramping proposals.

Bonus A – Granted to Producers for Evaluating the LCA of a SKU (or Batch¹⁶ of SKUs) and Disclosing the Results in an LCA Project Report

CAA will grant Bonus A to producers that perform an LCA and disclosure on up to 10 stockkeeping units, or SKUs, in accordance with DEQ's LCA standards. In future years, CAA may consider a revision to the number of SKUs per producer eligible for this bonus, pending feedback from DEQ. The LCA needs to be completed on or after July 1, 2025. CAA will set Bonus A at 10% of base fees,¹⁷ associated with all primary materials in the SKU that is being assessed. Bonus A will be capped at \$20,000 for each SKU or batch of SKUs that are evaluated and disclosed in a project report that conforms to the final LCE rules and procedures. As CAA gathers more data and understanding of the impact of bonuses on the budget and on producer participation, CAA will reassess the cap on the bonus.

Bonus A will be applied to all primary packaging materials reported and associated with the SKU or batch of SKUs. Secondary and tertiary (transport) packaging will not be eligible for the bonus because these types of packaging typically are not part of producer packaging decisions. Some exceptions may apply.

¹⁶ The LCE rules allow for batch evaluations (an LCA performed on multiple SKUs using the same primary packaging material or that are part of the same product category).

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¹⁷ Base fees are the material-specific fees associated with the primary material under LCA evaluation (before any bonuses). Base fees will cover the costs of material management, non-material management and accumulation of program reserves. The 10% bonus will be calculated on the base fees, excluding the portion for program reserves.

CAA will grant Bonus A as a credit on the fee invoice in the following program year following receipt and approval of a compliant LCE project report (i.e., Bonus A LCEs received in 2025 will be paid out in 2026).

The theoretical example below shows the impact of Bonus A.

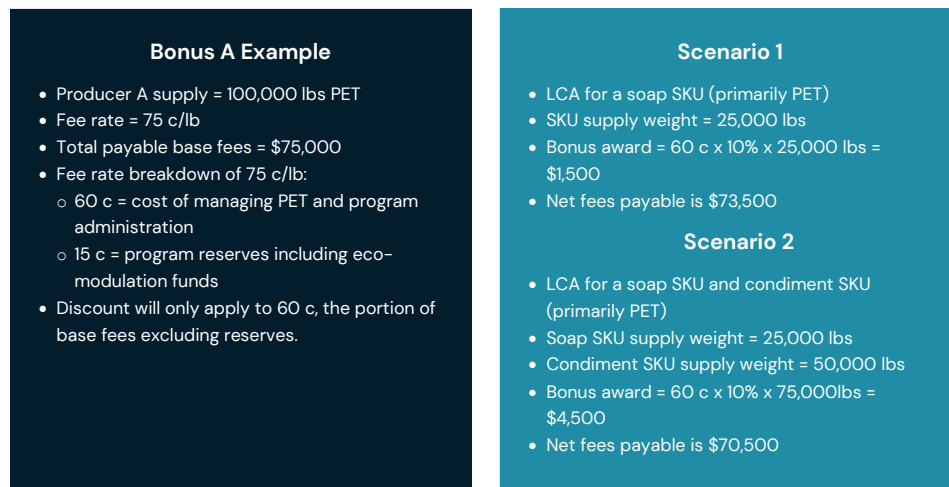


Figure 10

Bonus B – Granted to Producers for Evaluating the LCA of a SKU (or Batch of SKUs) and Disclosing the Results in an LCA Project Report, and Demonstrating Significant Impact Reductions to their Packaging

Bonus B will be granted to producers that conduct an LCA that demonstrates significant impact reductions through a packaging change performed on a SKU or batch of SKUs, for up to 10 SKUs. Changes to packaging once Phase 2 rules are finalized qualify; the LCA demonstrating the significant impact reduction needs to be completed and submitted to CAA no earlier than May 31, 2026, with any bonuses granted as credits to payable on 2027 base fees.

CAA will provide a graduated level of bonus based on three impact reduction tiers:

- Tier 1: impact reduction of 10%–40%
- Tier 2: impact reduction of greater than 40%–70%
- Tier 3: impact reduction of greater than 70%

CAA will set Bonus B higher than Bonus A across all three impact reduction tiers. The total bonus CAA grants will be based on a multiplier applied to Bonus A up to an appropriate cap that will provide greater incentive for producers to apply for Bonus B than for Bonus A. Bonus B increases based on the level of impact reduction demonstrated, up to a cap amount of \$50,000 for a SKU or batch of SKUs. Producers may demonstrate impact reductions either through improvements made to existing packaging formats or through a switch of packaging formats.

CAA designed Bonus B to incentivize producers to improve packaging or switch to packaging in ways that improve environmental outcomes, such as lightweighting, increasing PCR content, or increasing recyclability, to deliver continual impact reduction. Bonus B will reward packaging improvements for all primary packaging given that this packaging is the one CAA will be able to manage to end markets. Bonus B will be a multiple of Bonus A and will represent a significantly higher amount to reward positive outcomes. The bonus structure will evolve during the life of the program to ensure its relevancy, value and effectiveness in leading to improved environmental outcomes.

Bonus B will be applied to all primary packaging materials associated with the SKU or batch of SKUs only. LCA bonuses will be granted on primary and secondary packaging on the product SKU. Tertiary/ transport packaging is excluded unless the producer can demonstrate that it's making packaging design decisions on the transport packaging. A producer would also need to demonstrate that the tertiary packaging is not being considered for 869 exemptions.

CAA has set the bonus levels and caps to ensure that the total bonus amounts of Bonus B will always exceed those of Bonus A, in order to offer extra incentives to producers for making improvements to their packaging.

For each SKU or batch of SKUs, a producer will be eligible for either Bonus A or Bonus B, but not both bonuses. This policy is reasonable because Bonus B already accounts for the effort taken to evaluate and generate LCA reports for public disclosure. Bonus A is intended to incentivize producers to conduct an LCA and disclose the results to the public. Bonus B is intended to incentivize producers to make changes to packaging that result in impact reductions, which can be demonstrated through an LCA evaluation. Bonus B is set higher than Bonus A because of the extra effort taken to make the packaging change, along with the resulting impact reductions achieved. Both bonuses are paid out in one year. CAA has structured Bonus B in a way that creates a stronger incentive for producers to apply for the substantial impact reduction bonus for any chosen SKU or batch, rather than the voluntary disclosure bonus.

For each eligible SKU or batch of SKUs, a producer is eligible for either bonus every three years because CAA encourages producers to make assessments and packaging changes that result in impact reductions across as many SKUs as possible.

The theoretical examples on the next page show the impact of Bonus B.

Bonus B Example 1

Producer A supply weight and fee rates:

- 860,00 lbs HDPE container at 19 ¢/lb
- 90,000 lbs PP cap at 35 ¢/lb
- 50,000 lbs PE label at 55 ¢/lb

Total payable base fees = \$222,400

- HDPE container base fees = \$163,400
- PP cap base fees = \$31,500
- PE label base fees \$27,500
- Discount will only apply to base fees excluding reserves

Scenario: Packaging Switch

- Packaging switch for detergent pods from HDPE container, PP cap and PE label to HDPE film pouch
- HDPE film pouch fee rate = 55 ¢/lb
- SKU supply weight = 180,000 lbs (82% reduction or Tier 3 improvement)
- Paperboard base fees = \$99,000 (55.5% lower base fees)
- Bonus A award = \$7,920
- Bonus B Tier 3 award = 2.5 x Bonus A = \$19,800
- Net paperboard base fees after Bonus B award = \$79,200*

**Only larger Bonus B applies.*

Bonus B Example 2

Producer A supply weight and fee rates:

- 850,000 lbs paperboard at 3 ¢/lb
- 100,000 lbs HDPE film pouch at 55 ¢/lb
- 50,000 plastic laminate at 79 ¢/lb

Total payable base fees = \$120,000

- HDPE container base fees = \$25,500
- HDPE film pouch base fees = \$55,000
- Plastic laminate base fees = \$39,500
- Discount will only apply to base fees excluding reserves

Scenario: Packaging Improvement

- Packaging improvement for a cereal SKU paperboard package by increasing PCR content
- Producer A increased PCR content, performed an LCA that showed improvement of 51% in impact (Tier 2 improvement)
- Bonus A award = \$9,600
- Bonus B Tier 2 award = 2.25 x Bonus A = \$21,600
- Net base fees after Bonus B award = \$98,400*

**Only larger Bonus B applies.*

Figure 11

Bonus Application Timelines

CAA will offer to grant Bonus A starting in the 2026 program year (the year in which producers will pay 2026 fees). CAA will require producer LCA project reports to be submitted in early fall 2025, before CAA sets the 2026 base fees in October 2025. Therefore, producers will know the bonus percentage they will be eligible for when they submit their project reports, but they will not know the actual dollar amount of the bonus because it is relative to their base material fees, which would not yet have been set.

CAA will offer to grant Bonus B starting in the 2027 program year, to allow producers extra time for data collection, to conduct LCA analyses of their impact reductions and to convert packaging to the improved design.

Note that beginning in August 2025, DEQ will announce the top 25 producers. These producers are required to disclose LCAs for 1% of SKUs by December 31, 2026. It is CAA's intention to allow the SKUs used in these top 1% disclosures to be used in an LCA application for Bonus B.

CAA will issue net fee invoices with bonuses credited beginning in January 2026 for Bonus A. Beginning in 2026, producers will submit LCA reports and bonus applications along with their producer supply reports on May 31 of each year. Thereafter, CAA will issue fee invoices, including bonuses granted, each January of each following year.

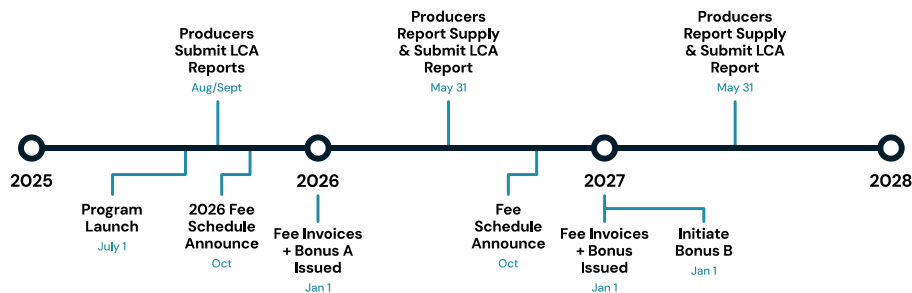


Figure 12

Reporting Requirements and Eligibility for Bonuses

Producers will be required to submit LCA project reports as a PDF in the fall of 2025 for the first year for Bonus A. In future years, they will report by May 31 as part of the annual reporting cycle. Each bonus is only applicable to the portion of the supply weight/fees associated with the SKU(s) in the LCA evaluation, and not to the supply weight/fees payable for the entire material category. Packaging under evaluation must be supplied in Oregon and must have been on the market for at least one year prior to application.

Funding the Bonus

As per the CAA reserves policy, a portion of the reserves may be used for the purpose of funding incentives in the initial years when malus fees are not in use.

Prior to having detailed producer data, CAA cannot foresee the number of producers that will apply for bonuses but will still need to budget for granting the bonuses to qualifying producers. Whereas in a fully mature ecomodulation program, malus fees may be introduced to help fund part of the bonuses, CAA will

need to use a part of the program reserves (separate ecomodulation reserve funds for different material categories) to help fund the bonus program.

Each producer will contribute their proportionate share toward reserve funds through the base fees they pay. This will allow for ecomodulation to move forward on a temporary basis.

Program reserves could be made up of operating reserves and ecomodulation funds (at the material class level).

- Operating reserves are used for risk management, working capital, cost overruns or revenue shortfalls
- Ecomodulation funds are used to administer bonuses where malus fees are inadequate to offset the bonuses
- With this approach, all producers will pay into both reserves each time they pay fees, but how much they actually pay is proportional to their supply weights

The ecomodulation reserve fund will exist in addition to operating reserves, which the PRO will use for risk management, working capital, cost overruns or revenue shortfalls. CAA will use ecomodulation reserves, on the other hand, to administer bonuses. All producers will pay into both reserves each time they pay their fees, but the amount they will pay will be proportional to their supply weights. The bonuses will be paid out from each applicable material category ecomodulation reserve fund, until CAA develops enforceable malus fees to in whole or in part replenish funds in each of the material class reserve pools. The funding strategy for each bonus scenario is outlined in Table 24. For Bonus A and Bonus B, when no material switches are occurring, bonuses are funded by producers in the same material categories. In the instance of a Bonus B award where a material switch is occurring, the bonus will be funded by a pool of contributions paid by all manufacturers across all material categories.

CAA considered two options to limit its financial exposure in the design of its LCA bonus program for the Oregon program plan. For the initial years of the program, CAA considered either: (1) allocating a total dollar amount to each of the two types of bonuses required to be offered (i.e., a limited pool of bonus funds that is first-come, first-serve), or (2) capping the amount of the bonus granted to an individual producer's SKU.

If, after the first year, it is determined the capped amounts are too low, CAA will raise the individual bonus cap amounts in subsequent annual ecomodulation fee schedule updates to encourage more producer participation.

In addition, CAA also decided, as a principle, the basis for setting the level of bonus is not intended to cover costs but to be correlated to impact.

Summary of LCA Bonuses

The following table shows a summary of the types of bonuses.

LCA Bonus Type	Purpose	Bonus Award and Apportioning	Funding Source	Incentives for Impact Reduction	Avoids Cross-subsidization
A (evaluation and disclosure only)	Granted to producers for conducting and disclosing LCAs	Set at 10% of base fees for all materials in the SKU, up to a cap of \$20,000.*	Funding provided through proportionate base fees of all materials in the SKU.	Bonus is applied to all primary sales packaging. Magnitude of bonus is reasonably set to incentivize producers to evaluate their SKU impacts and then take further action to reduce impacts to achieve Bonus B.	Bonus grants are funded by producers in the same material category in the SKU (material specific).
Bonus B – changes to existing packaging	Granted to producers for conducting and disclosing LCAs AND demonstrating significant impact reductions	Indexed to Bonus A. Increases based on 3 graduated impact reduction tiers, using a multiplier associated with the level of reduction. Capped at \$50,000 per SKU or batch.	Funding provided through proportionate base fees of all materials in the SKU.	Offers escalating multiplier for granting the bonus based on impact reduction tier. Bonus B set at least twice as much as Bonus A.	Bonus grants are funded by producers in the same material category in the SKU (material specific)
Bonus B – packaging switch	Granted to producers for conducting and disclosing LCAs AND demonstrating significant impact reductions	Indexed to Bonus A applied to the new packaging materials. Increases based on 3 graduated impact reduction tiers, using a multiplier associated with the level of reduction. Capped at \$50,000 per SKU or batch.	Funding provided through pooled contributions from all producers of packaging material categories.	Offers escalating multiplier for granting the bonus, based on impact reduction tier. Bonus B set at least twice as much as Bonus A.	Not a primary requirement for ecomodulation in this case.

*Bonus A is set at 10% discount of base fees (excluding the portion of reserves in the base fees, which is estimated at approximately 20%). This results in a net reduction of approximately 8% and not approximately 10% of base fees, after the application of Bonus A.

Table 24

Consideration of Other Ecomodulation Factors

ORS 459A.884(4) requires producer responsibility organizations to consider five factors for ecomodulation in their graduated fee structure. These five factors are:

- a. The post-consumer content of the material, if the use of post-consumer content in the covered materials is not prohibited by federal law;
- b. The product-to-package ratio;
- c. The producer's choice of material;
- d. Life cycle environmental impacts, as demonstrated by an evaluation performed in accordance with ORS 459A.944; and
- e. The recycling rate of the material relative to the recycling rate of other covered materials.

Post-consumer content of the material

A literature review of life cycle assessments generally shows that use of recycled materials results in a lower product environmental footprint than use of virgin materials within the same material category. The amount of the reduction varies by material. DEQ's life cycle evaluation (LCE) rules in OAR 340-090-0930 Core Product Category Rule (1)(b)(E) states, "If a covered materials will use recovered materials, fuels, or energy then those inputs must be included in the assessment in such a way as to avoid double counting or undercounting of burdens, as described in ISO 21930:2017 §7.1.6." Inventory data associated with recycled materials in comparison to virgin materials will be included by producers in their LCEs. If a producer increases recycled content in a material category, the single score impact factor will show the impact and benefit of increasing the use of post-consumer recycled content. Consideration of post-consumer content of the material, therefore, is already included in the LCE rules, and producers are incentivized to increase their use of post-consumer recycled material. The LCEs, however, must ensure that the benefit of recycling the material as well as the benefit of using recycled content is not calculated in a way that results in double counting of environmental benefits. Instances when CAA will consider additional bonuses or malus fees related to post-consumer content in a future program plan or amendment to this plan are described later in this section.

Product-to-package ratio

DEQ's LCE rules require producers' project reports to present results on the functional unit basis of one cubic meter of capacity or one square meter of coverage, whichever is applicable to the covered material. Producers that make a change to improve their product-to-package ratio and apply for a Substantial Impact Reduction bonus will be incentivized for making this improvement – this is because the functional unit as defined in the LCE rules measures and reports on the basis of product-to-package ratio, or the amount of product delivered per kilogram or square meter of packaging. As a producer reduces the amount of packaging used to deliver an equivalent amount of product to consumers, the environmental benefit of doing so will be realized by producers in two ways. First, in reduced base fees (because less packaging is

used to deliver products to consumers), and second, through the Substantial Impact Reduction bonus, which grants a bonus on the basis of product-to-package ratio. Because incentives to producers are already provided through base fees and the Substantial Impact Reduction Bonus, CAA does not envision providing additional incentives for this factor in Oregon.

Producer's choice of material

As with the other factors specified in the RMA, a producer's choice of material is reflected in the inventory data used to construct the life cycle impact assessment. A material that is less impactful on the environment on an equivalent functional unit basis than another will have a better single score impact factor calculation, and if a producer switches to it, that producer can receive a Substantial Impact Reduction bonus. In this respect, a producer's choice of material is already reflected in the Substantial Impact Reduction bonus that CAA has included in this program plan. Instances where CAA will consider additional bonuses or malus fees related to a producer's choice of material in a future program plan or amendment to this plan are described later in this section.

Life cycle environmental impacts

DEQ's LCE rules require the use of this factor. CAA will comply with the rules and grant bonuses for Voluntary Disclosure and Substantial Impact Reduction (including granting bonuses for a producer transitioning from single-use to reusable covered materials if the LCE shows a reduction in impacts). At the current time, CAA does not anticipate granting additional bonuses or malus fees for the assessment of life cycle environmental impacts beyond those required by DEQ.

The recycling rate of the material relative to the recycling rate of other covered materials

DEQ's life cycle evaluation (LCE) rules allow for granting a Substantial Impact Reduction bonus when a producer switches between materials where the recycling rate of the material increases as per OAR 340-090-0930 Core Product Category Rule (2)(c)(G), "The outputs from recycling (e.g. recycled materials) that substitute for primary production of like materials shall be granted as a credit." In this sense, the existing LCE rules already include ecomodulation incentives to switch to higher recycling rate materials. However, depending on the material, switching from a lower recycling rate material to a higher recycling rate material may increase overall environmental impacts. Because of this, CAA fully supports the use of the single score impact approach in the LCE rules as the litmus test to be used for incentivizing changes among materials with different recycling rates, but only when doing so will result in a reduction of environmental impacts. CAA does not anticipate incentivizing shifts among materials simply on the basis of recycling rate.

It is not a best practice to implement ecomodulation of producer fees in the initial couple of years of a new EPR program because doing so introduces risk to the financial solvency of the program. This is because costs and revenues are unknown at program start due to a lack of firm data. Therefore, CAA does not intend to implement any other ecomodulation factors beyond the Voluntary Disclosure and Substantial Impact



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Reduction bonuses required by DEQ in its LCE rules. As part of its annual report and review process under this initial program plan, CAA will assess when the timing may be right to add in additional ecomodulation factors beyond the initial two DEQ requires. CAA will add any additional ecomodulation factors in a subsequent program plan or a plan amendment to this program plan.

c. Alternative membership fee structure (if applicable)

CAA is not considering developing an alternative fee structure at this time.

d. Adequacy of Financing

In accordance with ORS 459A.875(2)(i), CAA is required to establish fees that adequately fund the program operations, ensuring the fulfillment of the RMA requirements and enabling program implementation. These fees shall cover the expected management costs of materials, including collection service expansion, depot network setup and CRPF compensation as well as REM and other strategic development costs. The fees will also cover reimbursement of DEQ costs related to administering the program, a waste prevention and reuse fee, administrative fees, PRO operations and program reserves.

For the first year of the program, CAA developed a refined estimate that informed the amount of producer fees to be generated. As noted above, this estimate was reduced based on the data gathered through ORSOP.

CAA expects to generate \$190 million in year one of the program. See Appendix E for details.

Program Reserves and Contingencies

CAA is committed to striking an appropriate balance between maintaining a healthy balance sheet while also running an efficient organization with high value for fees for participating producers. Guided by a corporate reserves policy, CAA has established a reserve target and operating contingencies to protect the program from unforeseen financial risks and to build up working capital based on the needs of the Oregon program.

As per ORS 459A.875(2)(m), the updated program budget includes provisions for program reserves and operating contingencies of \$43.5 million and \$12.0 million, respectively, in 2025.

This reserve level reflects the amount to be raised in the first year of fees. The operating reserves will accumulate over two and half years to reach the reserves target by the end of the 2027 program year, which is being considered as steady state. The program reserves target reflects six months of projected annual variable operating costs under a steady-state program year in 2027.

Variable expenses include transportation reimbursement, contamination programming and evaluations, PCRPF and CMF fees, PRO depot operating costs, local government curbside collection incentives, or any costs tied to tonnages or households.

Operating contingencies will cover any unexpected cost increases due to the variable nature of the recycling system. Program reserves and operating contingencies are intended to cover the most variable and hard to predict elements of program implementation, namely the operations and funding requirements for recycling services that are affected by many unforeseeable factors.

Program reserves in year one are composed of:

- Operating reserves: \$25.6 million
- [Additional Risk Reserves](#): \$17.9 million
- Ecomodulation incentive provision (to start in 2026) \$0

Deleted: Legal reserves



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Reserves are used for operating risk presented by cost overruns or revenue shortfalls. [Additional risk reserves are designed for unforeseen expenditure items that may arise due to factors beyond the control of CAA Oregon such as regulatory changes, emergency interventions and one-time liabilities.](#) Ecomodulation funds are used to administer bonuses where malus fees are inadequate to offset the bonuses.

All producers will pay program reserves each time they pay fees, but how much they actually pay is proportional to their supply weights.

Operating contingencies intend to cover variability in operating costs and they are currently indexed to 15% of operating costs each year. These costs are reported outside of program reserves.

Deleted: Legal reserves intend to cover for legal defense and settlement costs

Equity

There is no one-size-fits-all solution to recycling because motivators and barriers vary across age, region, race, ethnicity and other factors.¹⁸ In particular, CAA recognizes that the following factors may influence equity and outcomes in the Oregon recycling system:

- Lack of access to infrastructure and/or practical knowledge about how to recycle properly
- Lack of transportation
- Functional barrier of preparing items to recycle (cleaning, emptying, breaking down items)
- Ability and disability (for example, color blindness might affect a resident's ability to understand educational materials)
- Knowledge barriers (for example, residents might not feel confident in their ability to recycle properly)
- Recycling programs not being set up for full community participation
- Investment in relevant resources and tools as well as information shared differently across the resident population
- Language barriers
- How community members see themselves represented in the education and outreach materials (visuals, language, staff handing out resources)
- Geography/location and practical considerations tied to location
- Process for actively identifying and evaluating equity gaps within the recycling system
- Following the identification of equity gaps, working to resolve those gaps, and continuing to measure progress towards equity

CAA's Proposed Approach to Equity

CAA's approach to equity is to strive toward meeting our program goals while being as fair and inclusive as possible in providing access to recycling services and recycling information in Oregon.

For the purposes of the administration of the RMA in Oregon, CAA is using a definition of equity that is modeled from the federal definition of equity established through Executive Order in 2021.

The CAA guiding definition is as follows:

The term "equity" means the consistent and systematic fair, just, impartial treatment and meaningful involvement of all individuals, including individuals who belong to underserved communities that have been denied such treatment, such as Black, Latino, and Indigenous and Native American persons,

¹⁸ <https://recyclingpartnership.org/equitable-recycling-outreach>

Asian Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons; persons with disabilities; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty, inequality or negative effects of decisions on the environment.

The term “underserved communities” refers to populations sharing a particular characteristic, as well as geographic communities, that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life, as exemplified by the list in the preceding definition of “equity.”

As CAA is a national organization, serving compliance functions across multiple states, a definition based on the federal definition is the best fit at this time, but CAA may develop an organization-specific definition over time.

To help meet equity objectives, CAA has sought the expertise of the community-based organization (CBO) Trash for Peace in developing the equity components of this plan. If selected, CAA will continue to work with Trash for Peace and other CBOs in operationalizing its plan in Oregon.

To assess and review equity issues during program plan implementation CAA will consult regularly with the ORSAC and the DEQ to ensure that CAA's activities in Oregon align with the equity requirements of the RMA and CAA's goals for equity.

CAA also proposes some specific equity approaches corresponding to key aspects of its operations plan:

Equity in the Establishment of a PRO Depot Network

CAA proposes to explore a number of approaches to ensure its depot network is tailored to the varying needs of different Oregonians.

First, the depot network will adhere to statutory and regulatory requirements around convenience standards. Meanwhile, CAA will identify opportunities to provide collection for people with mobility challenges, including considering funding for at-home collection, store drop-off, and neighborhood collection events.

Because transportation is an equity issue, CAA proposes to prioritize events and mobile collections that bring recycling closer to communities that must travel farther distances to existing recycling depots.

Furthermore, CAA is continuing to work to locate depot sites on Tribal lands and is continuing to prioritize contracting with these sites. Through a continually growing understanding of the Oregon landscape, CAA has initially identified the following existing depots on Tribal land, and CAA intends to explore incorporating these two depots in the system as well as have conversations with the other seven Tribes about opportunities to create collection points in their communities. As of mid-November 2024, CAA had not entered into LOIs with the two sites below, but dialogue is continuing.

- Tribal Environmental Recovery Facility, Pendleton, OR – operated by the Confederated Tribes of the Umatilla Indian Reservation which represents a union of the Cayuse, Umatilla and Walla Walla Tribes.

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- Grand Ronde Depot, Yamhill County – operating on the land of the Confederated Tribes of the Grand Ronde Community of Oregon, which represents over 30 Tribes and Bands from western Oregon, northern California, and southwest Washington.

CAA will continue to engage with Tribes along with local governments over the next year as system expansion and PRO depot planning occurs. While no specific investments or additional collection points have yet been identified, CAA has earmarked funds to support Tribal investments when they are ready, and CAA will work with DEQ regional technical specialists and service providers to provide ongoing technical assistance.

CAA will also explore how compensation plans for collection point staff can be made fair and equitable. After consulting with permitted and existing facilities, as required by statute, CAA plans to prioritize conversations with CBOs to fill in any program gaps. If costs to contract with CBOs are prohibitive, defined as exceeding 110% of the average costs for depots, then CAA will continue to explore other avenues. CAA plans to provide a per ton material rate to incentivize greater collection and thus move Oregon closer to its recycling rate goals. A living wage for CBO-managed sites will be built into the base service fee CAA will pay monthly, based on the projected number of employee hours needed to handle PRO materials. And CAA will explore partnerships with community groups that collect PRO depot materials but may not qualify for permits or meet the definition of “depot” or “drop off center.” Identification of these opportunities is still ongoing and will continue to be top of mind throughout the ORSOP and program implementation process.

Equity in Responsible End Markets

CAA will work to ensure that new markets for materials collected in Oregon are developed in ways that minimize risks to public health and worker health and safety.

For materials CAA owns, and wherever possible, CAA will also explore options to:

- Provide opportunities to businesses that are small businesses, veteran owned businesses, owned by a disadvantaged class, are not-for-profit businesses, or are B Corp certified
- Provide opportunities to businesses with affirmative labor practices, such as hiring preferences for underserved groups, providing living wages, or utilizing organized labor

Equity in Education and Outreach

As described in the Education and Outreach section above, CAA plans to ensure that educational materials and campaigns are culturally responsive to diverse audiences across Oregon by:

- Translating and transcreating all education and outreach materials into Spanish, Simplified Chinese, Traditional Chinese, Korean, Arabic, Russian, Vietnamese, Tagalog, Hindi, Somali and Ukrainian
- Applying a co-creation approach to give community members a chance to participate in campaign design through community-level listening, Partnering with CBOs as advisors to education and outreach development, as well as implementation partners

- Designing for accessibility, ensuring all collateral follows ADA compliance and best practices as well as the principles of universal design, where products, services or environments are designed so that anyone – no matter their age or ability – can use that design with minimal or no accommodations
- Accounting for disparities in access to information technology, ensuring rural audiences are engaged as well as urban populations

Equity in PRO Administration

When contracting work to third parties, CAA will develop an approach that provides opportunities to businesses that have certification under the Oregon Certification Office for Business Inclusion and Diversity (COBID) as minority-owned businesses, women-owned businesses, service-disabled veteran-owned businesses, or emerging small businesses. We are engaging with every hauler in the State and continuing to offer equal opportunities for system expansion and depot collection, which we believe creates a level playing field for small and minority-owned haulers, ensuring that investments are made comparatively to ensure that market share for these identified haulers is not being negatively impacted throughout the RMA. CAA will utilize the COBID website to obtain information on these potential business partners.

The RMA was designed to place 30% of the financial responsibility of the recycling system on the PRO. Additionally, the RMA has created opportunities to bring new functions into the State to support the system, such as developing the statewide contamination evaluation system. As CAA develops new job opportunities in the state, the organization will abide by equitable employment practices that create opportunities for all Oregonians. Hiring within Oregon has already begun with the onboarding of an Oregon-based Oregon Executive Director and other staff. Preference for Oregon-based staff will remain top of mind throughout the hiring process.

CAA Management and Compliance

In this section, CAA describes its plans for day-to-day management of the program, communications, data gathering, and reporting processes; managing producer compliance; and related policies and procedures. This section directly addresses CAA's Objective 4 for this program plan: "Create a system that fulfills the needs and regulatory requirements of the PRO, its members, and all other relevant interest holders."

CAA is committed to upholding the highest standards of ethics, integrity, and compliance with all relevant local, state, and federal laws and regulations. CAA recognizes the importance of adhering to legal requirements to ensure the trust and confidence of our interest holders, including the Oregon Department of Environmental Quality (DEQ), producers, partners, employees, service providers, local municipalities, and the state of Oregon as a whole.

a. Overall Day-to-Day Management

CAA will provide management of the program's overall day-to-day program operations, steward services, finance and administration, and local government and community activities, utilizing key qualified personnel dedicated to the Oregon program. Collaboration with CAA National and additional CAA state program personnel will occur to ensure all programs are functioning in the most consistent and efficient manner. The CAA management team will conduct activities in accordance with defined policies and procedures.

CAA will staff the program with dedicated resources responsible for the success of the overall program. The CAA National office will also provide support where applicable.

The following resources will be the main points of contact and responsible for program compliance:

Primary Contact

Name: Kim Holmes

Position: Oregon Executive Director

Phone: (833) 424-7285

Email: info@circularaction.org

Secondary Contact

Name: Shane Buckingham

Position: EPR Program Planning Lead

Phone: (833) 424-7285

Email: info@circularaction.org

A full list of CAA Oregon team members and their roles will be maintained on the staff page on the website. CAA will notify DEQ within 30 days of key personnel changes related to the Oregon program.

b. Communications

In this subsection, CAA describes its planned approach to communication and coordination with key decision makers as part of the implementation of this plan. It also outlines a proposed approach to gathering data and key metrics to inform the measurement of key outcomes, and how key metrics will address elements of the annual reporting structure required by the RMA.

CAA Plans for Communication and Coordination

CAA understands that effective collaboration and communication with Oregon recycling interest holders is critical to CAA successfully meeting RMA obligations and delivering on anticipated recycling system improvements.

CAA proposes several multi-participant coordination and communication activities and welcomes feedback from Oregon DEQ regarding these proposals. Note that the frequency of each activity will, by necessity, fluctuate to reflect the program's evolving needs. A set cadence for each effort will be determined that is agreeable to the relevant participants and reflects the program's ongoing needs.

CAA will engage with other interested parties not specifically highlighted here as necessary.

General Communications

CAA's website already features a professionally designed and maintained [section](#) dedicated to Oregon and the Recycling Modernization Act. This online resource is currently geared toward potential producers, but it will be expanded to target additional audiences, including sections tailored to Oregonians (waste generators), service providers, local governments, and others.

CAA expects it will employ other effective communication tools as demand for information is established in both format and frequency.

Oregon DEQ

CAA will establish meetings between relevant CAA representatives and Oregon DEQ. CAA and Oregon DEQ would select the appropriate project team members to be included on the recurring event, and each party would be expected to invite others when relevant for specific discussion items identified in advance. This step builds on the strong communication ties that have already been developed between CAA and DEQ.

CAA will also communicate updates and data to DEQ through required reports and according to recommendations developed in consultation between CAA/DEQ and ORSAC.

Oregon Recycling System Advisory Council (ORSAC)

CAA will appoint a single point of contact for ORSAC, and CAA will have standing attendance at ORSAC meetings and offer the opportunity for consultation as needed.

CAA expects to engage in a regular series of meetings with ORSAC and DEQ to review implementation issues that could arise after submission of this program plan.

Local Governments and Service Providers

CAA has undertaken a significant amount of communication and coordination activity with local governments and their service providers as part of the proposed Oregon Recycling System Optimization Project.

As detailed in the “Collection and Recycling of USCL Materials” section of this plan, CAA intends to utilize an online portal to process local government and service provider funding requests under different local government reimbursement programs. These programs will be supported by dedicated CAA operations staff that will facilitate interested parties' participation.

CAA will also provide an online portal for local governments and their designated service providers to easily access, customize, print and mail education and outreach collateral at no cost, as described in the “Education and Outreach” section of this plan.

CAA will also host dedicated webinars to support program implementation, and local governments and service providers will be a key audience for these communication efforts.

In addition, CAA will plan to connect with and inform local government interest holders through connections with groups such as the Association of Oregon Counties and the League of Oregon Cities.

Commingled Recycling Processing Facilities (CRPFs)

CAA will form a CRPF working group to establish a forum for interaction with processors and also to provide technical assistance, review relevant program timelines and requirements, discuss investment opportunities, and more. CAA will continue to cultivate relationships with processors on an individual level as well in an effort to understand needs and shifting realities at the materials processing level.

CAA will establish standing meetings with the Oregon Refuse & Recycling Association (ORRA), a statewide trade group that serves as a key conduit to processing entities.

Producers

CAA acknowledges that it is critical for producers to fully comprehend their compliance requirement in order to facilitate successful implementation. Regardless of whether a producer is just starting to learn about their EPR obligations in Oregon or whether they have been following the RMA from its inception, CAA is

committed to being transparent about the implementation process and to supporting producers in their EPR journey.

To support producers with their compliance goals, CAA has created educational, informational, and guidance resources, which are summarized below.

Producer Resource Center

CAA created the [Producer Resource Center](#) (available on CAA's website) to help producers better understand and prepare for their obligations in states that have enacted EPR laws for paper and packaging. The Producer Resource Center features answers to commonly asked questions, action items for producers, and links to webinars and other opportunities for producers to engage with CAA. CAA's website also features an evolving FAQ.

Producer Onboarding Sessions

CAA has been hosting [Producer Onboarding Sessions](#) since May 2024. In these regularly scheduled webinars, the basics of EPR, CAA, producer requirements, and producer registration with CAA are covered. The webinars are geared towards companies just starting their EPR journey and substantial time is reserved to address producer questions. Participation is open to all producers, trade associations representing producers, and legal counsel to producers.

Producer Working Group

CAA has been hosting Producer Working Group (PWG) meetings since November 2023, and more than 2,700 individuals representing hundreds of companies have attended. PWG meetings are a monthly opportunity for registered producers, their legal representatives, and trade associations to learn about and discuss priority producer issues. PWG meetings are a step deeper than the Onboarding Sessions, where CAA shares information and answers questions on the details of a wide variety of EPR topics, with a focus on producer compliance. Previous PWG meeting topics have included:

- A discussion of registration requirements, including the Participant Producer Agreement (PPA), which is a legal agreement between CAA and the producer that outlines terms and conditions
- A preview demonstration of the producer reporting portal currently in development
- A high-level review of CAA's fee modeling approach, including the guiding principles adopted by CAA in the fee-setting process
- A review of preliminary reporting categories and preliminary fee schedules to support companies in budgeting EPR fees
- Program updates, including an explanation of recyclability determinations, i.e. USCL, PRO Acceptance Lists, Specifically Identified Materials

CAA also maintains a library of past PWG meeting summaries and slide decks for registered producers to reference at their convenience.

Reporting Q&As

Starting in November 2024, CAA launched a series of reporting Q&A sessions aimed at providing a deeper dive on upcoming reporting requirements and deadlines. These sessions are an opportunity for registered

producers, their legal representatives, EPR reporting consultants, and trade associations to prepare producers with the latest developments from CAA on reporting requirements, policies, guidance and tools.

Forums for Varied Interest Holders

CAA has hosted four informational webinars in the past year, which were designed for a broader, multi-participant audience, e.g., value chain members, converters, trade associations, and others. These webinars generally highlight status updates on CAA's latest activities in EPR states, including timelines and producer registration.

Participation in DEQ hosted webinar series

DEQ has contracted with the Product Stewardship Institute (PSI) to host a series of webinars to help producers understand compliance obligations. CAA coordinated with DEQ to prepare for content for these webinars and participated in each event, offering information about how producers can register with CAA.

Other Communications

CAA's monthly email newsletter has an open rate that is 300% higher than the industry average open rate, and CAA's LinkedIn engagement rate is 240% higher than the average LinkedIn engagement rate. These statistics demonstrate that CAA is providing information – particularly guidance – that producers want and need.

Producer Consultation

CAA also values a consultative relationship with all producers and has held hundreds of one-on-one meetings with producers since December 2022. Through one-on-one meetings and customized group meetings with coalitions and trade associations, CAA has discussed producers' statutory obligations, the development of CAA, and reporting and fee payment requirements for producers. Recently, CAA's consultation with producers has centered on the contents and process for producers to sign the Participant Producer Agreement, or the legal agreement that each producer will be required to sign with CAA as a requirement of participation in the program.

Producer Reporting Guidance

CAA is currently developing reporting guidance for producers and plans to release it in the fourth quarter of 2024. The goal of the reporting guidance is to provide a resource for companies that meet the definition of obligated producer in Colorado, California, and/or Oregon. Among other things, the reporting guidance will outline details to support producers' EPR data preparation, reporting and compliance.

The reporting guidance will be accompanied by access to a producer portal, through which producers can initially find a producer registration form. In future releases, the portal will include a reporting questionnaire to help producers determine their specific reporting requirements and a step-by-step process to input or upload data. The portal will also ask for additional information such as a producer's legal structure to determine its affiliation status and the methodology used for calculating its data.

For producers, the CAA producer portal will enable secure registration and password protected login, transaction and balance history, and reports and notices. It will also allow producers to submit their production volumes to CAA for annual fee calculations via structures file upload, or direct entry.

Trade Associations

The Association of Oregon Recyclers (AOR) is an important interest holder relationship, as AOR membership spans the entire materials management industry in Oregon. CAA will participate in the organization's annual conference (including presenting at the discretion of AOR's conference planning committee) and collaborate on educational forums and/or webinars for AOR members. CAA is open to other forms of engagement that mutually benefit CAA and AOR.

As mentioned earlier, ORRA is another important interest holder relationship, with ORRA members accounting for a large portion of the solid waste management sector in Oregon. Ongoing communication and relationship-building within ORRA has been, and will continue to be, a key focus for CAA.

Other PROs and Multi-PRO Coordination

Currently, CAA is the only PRO that has submitted an RMA PRO program plan. If additional PROs indicate an interest in submitting program plans, CAA will work with DEQ and those prospective PROs to develop an interim coordination process as required by the RMA framework.

With respect to program plan development tasks, CAA is tracking all program development costs that should be shared with future PROs if they join the Oregon RMA program prior to CAA's recovery of those start-up costs from membership fees.

CAA will include a breakdown of 2024 start-up costs in the proposed 2024 Annual Report anticipated by DEQ in its Phase II RMA rule concepts. CAA's 2025 Annual Report will also identify program development start-up costs incurred in 2025 prior to the start of the program that will need to be recovered from producer fees once the program starts on July 1, 2025.

CAA will then track the recovery of these start-up costs over time so that in the event a new prospective PRO emerges, DEQ and CAA can identify remaining program start-up costs applicable to that new PRO at the time of its proposed entry into the RMA program.

c. Reporting

Metrics and Data Collection

Many aspects of this plan will require tracking of key outcomes and metrics to measure the achievement of program goals articulated in the "Program Goals" section. CAA will use its interactions with key participants to collect data relevant to the goals, objectives, expected outcomes, and key metrics discussed in that section. CAA will establish survey, reporting, and other data collection mechanisms for routine program measurement. CAA will develop standardized reporting templates to ensure consistency of records and provide clear guidelines to all interested parties required to report data to CAA.

CAA will also ideally receive critical information from DEQ on key elements, in particular related to inbound contamination, capture rate and outbound bale quality at CRPFs. CAA may in some instances pursue studies or other data-gathering exercises to collect essential information. It will use ~~these~~ data and corresponding analytics to report annually to DEQ on plan implementation and goal achievement. CAA will also use this performance information to update its goals, to adjust its plan, and to suggest or recommend overall adjustments to RMA implementation. CAA's intention is to use the submittal of its five-year plan updates as the main mechanism for altering program goals.

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Producer Reporting

CAA will provide participant producers with access to a secure online reporting portal to facilitate the submission of annual supply data. This reporting portal will allow for CAA to capture and aggregate the information that must be submitted to Oregon in the PRO Annual Report, as well as the applicable individual producer data where required.

CAA will monitor the effectiveness of this reporting portal and make adjustments as necessary to improve efficiency and accuracy. CAA will also provide necessary training and support to all producers and relevant interested groups on the reporting portal's use.

Annual Reporting

CAA will submit Annual Reports to Oregon DEQ no later than July 1 of each program year, starting in 2025. CAA's Annual Report will contain all information required by 459A.887(2)(a), OAR 340-090-0660(1)(a), OAR 340-090-0670(4), and OAR 340-090-0700(1)(d). It will be written and presented in a manner that can be understood by the general public. The Annual Report will be delivered each year to Oregon DEQ as a searchable electronic file.

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CAA will follow the outline for annual reporting proposed in DEQ's management directive including the following elements.

PRO Description: Total amount, by weight and type of material, of covered materials sold or distributed in or into this state by participating producers in the prior calendar year

Goals of the Program: Description of progress toward meeting topline goals in relation to identified program plan outcomes and metrics along with any recommendations to improve recovery and recycling outcomes.

Program Operations: Summary of program operations including:

- Progress toward implementing local government recycling system service expansions and improvements
 - Progress toward meeting PRO Recycling Acceptance List material collection targets and convenience and performance standards
 - Measures taken to address the recycling of specifically identified materials
 - Summary of performance in relation to fulfilling responsible end market (REM) obligations including:
 - A summary of quarterly disposition reports and evaluation of adequacy of REMs
 - A summary of actions taken in support of REMs
 - A summary of certification and verification results
 - A description of actions taken in relation to upholding progress in relation to achieving the statewide plastic recycling goal
 - A summary of education and outreach activities, with metrics on the utilization of online resources by local governments and haulers
 - Results of any in-person site inspections, material tracking or other audits conducted during the reporting year, including whether any major safety or environmental management practices were not properly followed and, if so, the corrective actions taken

Financing and Budget: Annual reports would include:

- A summary of the financial status of CAA, including annual expenditures, revenues and assets
- A description of the membership fee schedule, along with information on the number of producers that received fee adjustments and total fee revenues and an evaluation of the effectiveness of membership fee adjustments in reducing the environmental and human health impacts of covered materials
- A complete accounting and summary of payments requested by local governments and local governments' service providers and paid by CAA related to:
 - Service expansion requests
 - Transportation funding
 - Contamination reduction funding
 - Roll cart funding
 - Contamination reduction evaluation funding
- A summary of payments requested by local governments or local governments' service providers that were denied or reduced by CAA

- A summary of payments made to CRPFs
- A summary of all other payments made to satisfy CAA's obligations under ORS 459A.860 (Legislative Findings) to 459A.975 (Rules), including but not limited to payments made to support responsible recycling of specifically identified materials (SIMs), as described in ORS 459A.917

Finally, annual reports will include any additional information required by RMA rules and statute. Reports will detail updates around organizational compliance and include findings from an independent accountant's audit of CAA's financial statements.

d. Managing Compliance

To encourage the compliance of all interest holders with the RMA, CAA will offer robust support and training to educate producers about program plan requirements. Any material changes to program plan requirements impacting participants will be communicated to producers.

Records pertaining to CAA's implementation and administration of its producer responsibility program will be retained in accordance with applicable law and with CAA's records retention policy.

CAA is committed to maintaining open lines of communication with state and local rule makers and will actively seek clarification on any regulations deemed unclear. Internal controls will be designed to promote adherence to regulatory standards.

Producer Compliance

Per ORS 459A.869(8), CAA will establish a searchable registry on its website disclosing all CAA's compliant members and the identities of any members determined to be non-compliant members through DEQ enforcement processes alongside the reasons for their non-compliance. In instances where a member or non-member organization is potentially non-compliant with the program plan and/or the RMA, CAA will notify DEQ and the allegedly delinquent producer of the deficiency and provide the producer an opportunity to respond and to cure the delinquency as applicable.

CAA will endeavor to monitor compliance by producer members by conducting periodic operational and record audits, utilizing an audit cycle that will include desktop audits. When a desktop audit is performed, documentation via photos, promotional efforts, and compliance documentation will be requested. In the event of a non-compliant finding, CAA will send a notification to DEQ after completing its internal compliance processes and at least 90 days have passed with the producer out of good standing with CAA.

Preventive Measures

CAA is undertaking several producer education activities prior to the start of the program plan designed to educate producers of their obligations under the RMA in Oregon. This includes direct outreach to producers, informational webinars, and engagement with relevant trade associations to disseminate broad awareness of the new program requirements. CAA will also develop additional outreach materials to facilitate producer packaging reports required by the program as the RMA moves closer to implementation.

These preventative measures are intended to support the processes outlined below for notifying DEQ, ORSAC, and producers of potential non-compliance.

Policies

CAA will develop a set of policies related to fee payments and reporting requirements. Policies will specify producer reporting and fee payment obligations, and may address such issues such as reporting obligations, voluntary reporter agreements, reporting timelines and categories, errors in reports, membership-initiated adjustment requests, billing process, timing of fee payments, penalties and interest associated with late

payments, verification audits process, and compliance process along with a timeline by which a non-compliant member would be referred to the DEQ for potential disciplinary action and/or dispute settlement.

Compliance Process

Below are components of a compliance process that could be incorporated into the policies:

- Duty to Pay Required Fees – CAA may impose financial penalties and interest on members for failure to pay invoices in accordance with membership rules
- Retention of Records – CAA members will be required to retain records to substantiate and verify the accuracy of the information submitted in their reports for a to-be-determined period following the submission, and such records will be subject to inspection by CAA
- Duty to Comply with Requests for Documentation – Upon written request from CAA, participant producers shall provide documentation in support of their reports to CAA. This may include specific data, calculation methodologies, and/or audit reports, among other items.
- Duty to Provide Access – Participant producers will be required to grant access during business hours to CAA or its authorized representatives to inspect and review records relevant to information submitted in their reports as maintained in accordance with the Retention of Records policy
- Duty to Cooperate with a Verification Audit – At the request of CAA, participant producers must cooperate with CAA's verification process, described in the "Responsible End Markets" section of this plan. This may include providing requested documentation, data, records, and reports within a reasonable timeline of such requests, providing confirmation from a senior officer with authority to confirm and oversee reporting, and providing access to the member's business premises.

Notification of Non-Compliance

For non-compliance related to a producer who is or was a participant of CAA in accordance with RMA requirements, but which failed to comply with reporting and/or fee payment requirements, CAA policies would include notification to DEQ after certain internal compliance processes and timelines had passed.

CAA would notify DEQ of any members that are not in good standing (this may include a membership suspension and process), subject to a time frame outlined in the policies. For example, participants who had failed to report and/or pay fees within the specified time frame could be:

- Suspended by CAA and considered producers out of good standing, following requisite due process of the reasons for the suspension and the steps necessary to remove the suspension or become in good standing
- Reported to DEQ to take such corrective action as DEQ deems necessary or appropriate

CAA would also propose that in a multiple PRO situation, a searchable online database be maintained by DEQ, where PROs could confirm whether producers were members of an approved PRO and in compliance with RMA requirements.

Obligated Producers under the RMA

CAA reporting review and assessments may identify situations where there is a dispute between producers about which entity is an obligated producer with respect to a particular material obligation. In such circumstances, CAA may consult with DEQ regarding the interpretation of RMA “obligated producer” provisions to ensure that the application of the RMA to producers is consistent with ~~statutory and rule intent~~.

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CAA may also become aware of producers that are not CAA participants but that appear to be obligated producers under the RMA. CAA will conduct outreach to encourage such producers to register with a PRO to fulfill their obligations under the RMA. In such situations, however, CAA may not necessarily have access to information that would confirm whether a non-participant producer is actually obligated under the RMA. If such producers fail to take action, CAA would refer these producers to DEQ, along with the information that led it to believe the producer was obligated under the RMA, for DEQ to take such action as it may deem necessary.

Non-Compliance with LCA Requirements

Failure of a CAA member to conduct and report on required LCA requirements in the case of the 25 largest producers in the state is also a potential RMA non-compliance. Given the unique nature of LCA process and related rules, CAA would propose to develop specific compliance reporting processes and protocols related to this issue that would likely be different than processes and protocols in place to address violations of CAA producer reporting and fee payment requirements. CAA would propose to develop a specific membership compliance process and policy related to producer LCA requirements and would consult with DEQ regarding timelines and steps that would be taken to regain compliance.

e. Dispute Resolution (Local Governments, Service Providers and CRPFs)

A number of areas under the RMA might require dispute settlement processes to address potential disagreements between CAA, local governments, service providers, processors, and other interest holders that are receiving funding from CAA pursuant to a funding agreement under various RMA programs.

In many cases, standard commercial dispute settlement mechanisms, such as an agreement by the parties to refer a dispute to a third-party arbitrator, can be utilized to resolve such disputes. CAA aims to make all funding terms and conditions clear in the funding agreements to minimize the potential for dispute resolution to the extent possible. However, in the event a dispute does arise, CAA will deploy the following five-step dispute resolution process for any party in Oregon receiving funding from CAA. CAA will also ensure that DEQ has the right to access information from CAA's dispute resolution process with jurisdictions or service providers if needed for DEQ enforcement actions related to rule or statutory rule interpretation.

(Note: the chart below is the same as the one shown in the plan's description of funding for local government system expansion.)

Step	Dispute Resolution Approach	Summary	Duration of the Process
1	Working group review (with CAA, Local Governments, Service Providers, and DEQ to address anticipated agreements)	This group will offer review and interpretation on areas of ambiguity where CAA's obligations are not clearly defined in statute or rule. This group could choose to offer an interpretation of the issue for the parties to consider.	90 days
2	DEQ review	<u>For disputes that involve statutory or rule interpretation, DEQ may choose to conduct an independent review and issue an interpretation.</u>	90 days, concurrent with step 1
3	Mandatory Negotiation	When parties do not both agree to the recommendation from the working group, the issue would be elevated to mandatory negotiation. This would require both parties to meet and make a good-faith effort to resolve such dispute themselves through designated representatives.	90 days
4	Mediation	If resolution cannot be reached by the parties themselves within ninety (90) days, the parties shall engage in non-binding mediation with a mediator (who, for the avoidance of doubt, may be selected from a mediation tribunal panel of neutrals) to be mutually agreed on by the parties. The parties shall participate in mediation in good faith, including by cooperating to select a mediator and in scheduling the mediation proceedings. Mediation costs will be shared equally between the parties. Mediation may be conducted in-person or remotely through a videoconference platform approved by the mediator and parties.	90 days

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5.	Binding Arbitration	If resolution cannot be reached by the parties through non-binding mediation, or the parties fail to complete mediation within ninety (90) days of submission of the dispute to the mediator, any outstanding dispute, controversy, or claim shall be resolved by binding arbitration. The decision of the arbitrator(s) shall be final and binding on the parties, and the parties waive any right to appeal the decision, to the extent that a waiver can be made under applicable law.	
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Table 25

f. General Policies, Procedures, and Practices

CAA will regularly monitor the state of operations for the entirety of the program. CAA recognizes that defined and consistently executed policies, procedures, and practices are critical for ensuring the well-being of its personnel and the integrity of data provided to various interest holders.

CAA has developed national policies, procedures, and practices to enable consistent handling of activities while providing services required to operate key aspects of the program. The policies, procedures, and practices are defined to address specific tasks and to ensure the below concepts are addressed where applicable.

Consistent with best practices, CAA anticipates that it will periodically review and update its policies, procedures, and practices as determined to be necessary or appropriate.

i. Management of Contracts

CAA will maintain appropriate records of contracts that have been entered into in writing pertaining to the Oregon Recycling Modernization Act. Prior to execution, written contractual agreements between CAA and relevant parties will undergo appropriate internal review in accordance with CAA's business practices and policies.

CAA strives for fairness in the bidding process and in evaluating proposals without favoring respondents. We do this by practicing a transparent and open process, where all bidders and service providers have access to the same information and are treated in the same manner. CAA's detailed RFP process is available upon request.

ii. Workplace Safety and Conduct

CAA is committed to maintaining a safe work environment. In order to provide a safe and healthy work environment, personnel will be required to take appropriate and reasonable precautions by complying with established safety and workplace conduct standards. CAA is committed to providing proper equipment, procedures, and training in safe practices to aid in awareness and prevention of potential individual and community safety issues. Employees will be encouraged to familiarize themselves with their safety and conduct responsibilities, to follow safety and conduct practices at all times, and to make every effort to prevent accidents and injuries. Failure to adhere to safety and conduct rules could result in disciplinary action, up to and including termination of employment.

CAA will promptly and thoroughly investigate all reports of suspected nonconformance by personnel with safety or conduct requirements.

CAA will comply with all applicable laws pertaining to workplace safety and conduct.

iii. Protection of Confidential Information

CAA will adopt an information security plan that outlines appropriate technical, physical, and organizational measures designed to protect against unauthorized or accidental access, destruction, loss, alteration, or disclosure of nonpublic information subject to confidentiality undertakings.

The information security program will address native encryption of all data, event monitoring, audit trails, and other relevant topics. When information is no longer needed or required to be maintained by organizational policy or applicable law, CAA will securely dispose of all data and records in accordance with its records retention policy and information security program requirements.

All personnel will be required to periodically undergo appropriate training on their responsibilities for protecting confidential information.

iv. Successful and Timely Delivery

CAA will establish contractual agreements with service providers that outline the requirements and expectations designed to foster the successful and punctual achievement of project objectives by contractors.

Communication will be maintained with all contractors, with verbal and written notifications issued if timelines are not met or project outcomes are delayed. Additionally, contractors will be asked to submit status reports as deemed necessary by CAA.

CAA will request the contractual capability to inspect contractors and conduct quality checks to ensure that projects meet the standards of the program. Furthermore, CAA will offer comprehensive training and support to all contractors to ensure they understand and meet CAA's expectations.

v. Retention of Information

Per ORS 459A.962, CAA will retain records related to the implementation and administration of its producer responsibility program plan for at least five years and have them available for inspection by DEQ upon request. All documents are stored and managed by CAA's national organization within its cloud storage and contract management systems. This architecture ensures secure access, maximizes uptime, and maintains backups for all CAA mission-critical information. CAA does not intend to store documents physically in the State of Oregon, as there is no legal requirement to do so. A copy of CAA's records retention policy is available upon request.

CAA will designate a records custodian who will be responsible for the administration of the records retention policies. These documents will facilitate the creation of the annual report elements specified in ORS 459A.878 and addressed in the "Reporting" section of this plan. The annual report will be submitted to DEQ on July 1 of each year.

g. Closure Plan

CAA financing proposals include the development of program reserve targets equivalent to at least six months of variable operating expenses. Recent experience with the wind up of a number of stewardship programs in the province of Ontario suggests that the six-month reserve policy will provide any ample buffer for fully resolving all CAA obligations related to a potential closure of its program. While there are different ways to measure wrap-up or closure costs, the range of these costs in Ontario for different programs has been between 15 and 30 percent for different stewardship programs.¹⁹ Six months of reserves will ensure that CAA has the necessary resources for a transition period in the event CAA ceases operations as a PRO in Oregon.

Potential closure scenarios related to CAA operations in Oregon may include but are not limited to:

1. A decision by the CAA Board of Directors to cease operations in Oregon
2. Failure to maintain membership representing 10% market share or other qualifying criteria of a PRO as is required by the RMA
3. Changes in relevant laws, regulations, or other RMA program requirements

With respect to Scenario 3 above, CAA assumes that a change to the statutory and/or regulatory framework requiring CAA to cease operations in Oregon would likely be accompanied by conditions that provide notification and timing of required program termination dates. As such, this closure plan will focus on the other two possible closure scenarios.

In the case of an internal CAA decision to cease operations in Oregon (Scenario 1 above), CAA will endeavor to give its producers, service providers, DEQ, the ORSAC, local governments and other RMA interest holders a minimum of six months' notice that it intends to cease operations as a PRO in Oregon. CAA would also endeavor to align such a decision, if suitable under the circumstances, with the renewal dates associated with RMA Producer Plans.

In the case of Scenario 2 above, where CAA closure is due to a failure to maintain membership representing the required 10% market share or other qualifying criteria, CAA would implement a closure plan that aligns with timelines related to closure of operations associated with OAR 340-090-0730.

A notice of closure would include the intention for the termination of CAA's Oregon program, the anticipated CAA program termination date, and an outline of the steps CAA would take to wind up its operations in Oregon in an orderly fashion.

The CAA closure plan will include the following information:

¹⁹ Ontario transitioned to a new legislative structure for EPR programs which resulted in the wind up of existing stewardship programs for tires, waste electronics, hazardous waste and packaging (the Ontario Tire Stewardship program was the first to wind up on December 31, 2018). While the transition of the Stewardship Ontario program for blue box packaging is not yet complete, actual and estimated wind-up transition costs for these programs have ranged between 15 and 30 percent of annual operating costs (less reserve contributions). More information on the wind up of these programs and related costs is available on the Resource Productivity and Recovery Authority website at <https://rpra.ca/>.

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- Key steps and activities CAA will undertake before and after the termination date to ensure:
 - That RMA obligations have been maintained during the wind up of activities
- That service providers, local governments, and other participant are given adequate notice of the wrap up of individual CAA programs and contractual arrangements
- Implementation timelines, key steps and cut off dates for various program operations (final day to submit transportation compensation claims, for example)
- Communications plan and interested party notifications
- A closure financial plan and budget, including the process to ensure resolution of any liabilities and resolution of tax and other financial issues
- A plan to disburse any remaining assets and reserves once all financial and operational obligations have been addressed

Please note that in order to cease operations, CAA will have to conduct a number of activities after the termination date for the CAA RMA program. This would include final payments required under the RMA for activities that took place prior to the termination date.

Once CAA completes the steps required under the closure plan, it will provide notice to DEQ of the completion of the closure plan.

Certification and Attestation

a. Contents

i. Contact Information

Authorized Representative:	Jeffrey Fielkow
Title:	CEO
Address:	20 F Street NW, Suite 700, Washington, D.C. 20001
Phone Number:	833-424-7285
Email Address:	info@circularaction.org

ii. The Prospective PRO's Employer Identification Number

The Employer Identification Number for Circular Action Alliance is **92-3197259**.

iii. Proof of the Prospective PRO's Status as a Nonprofit

Documents showing proof of Circular Action Alliance's status as a nonprofit, 501(c)3 organization able to operate in Oregon are located in the [Appendices](#) as follows:

- Circular Action Alliance's bylaws of incorporation as a nonprofit corporation: [Appendix H](#)
- Circular Action Alliance's 501(c)3 determination letter from the Internal Revenue Service: [Appendix I](#)
- Circular Action Alliance's proof of status in Oregon (proof of registration as a charitable organization with the Oregon Department of Justice): [Appendix J](#)
- Circular Action Alliance's proof of registration as a foreign corporation with Oregon's Secretary of State: [Appendix K](#)
- Circular Action Alliance's revised bylaws: [Appendix L](#)

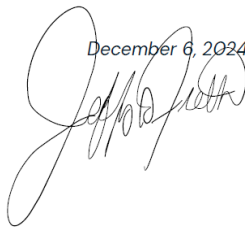
iv. Certifying Statement

I hereby declare under penalty of false swearing (Oregon Revised Statute 162.075²⁰ and ORS 162.085²¹) that the above information and all of the statements, documents and attachments submitted with this plan are true and correct.

Jeffrey Fielkow – Chief Executive Officer, Circular Action Alliance

Date: December 6, 2024

Signed



²⁰ oregonlegislature.gov/bills_laws/ors/ors162.html

²¹ oregonlegislature.gov/bills_laws/ors/ors162.html

Appendices

The following appendices are available in separate documents:

- Appendix A: Definitions
- Appendix B: List of Member Producers and Market Share Calculation
- Appendix C: CAA Organizational Structure
- Appendix D: Interest Holder Engagement
- Appendix E: Itemized Budgets by Program Year
- Appendix F: PRO Depot Lists and Coverage
- Appendix G: Detailed Fee-Setting Methodology (confidential)
- Appendix H: CAA Articles of Incorporation
- Appendix I: 501(c)3 Letter of Determination
- Appendix J: Proof of Registration as a Charitable Organization
- Appendix K: Proof of Registration – Foreign Corporation
- Appendix L: CAA Revised Bylaws
- Appendix M: Updated Program Implementation Timelines
- Appendix N: Response to Oregon Recycling System Advisory Council Feedback
- Appendix O: Legal Notices