



September 12, 2025

Jeffrey Fieklow  
Chief Executive Officer  
Circular Action Alliance  
Via email

Dear Mr. Fieklow:

Thank you for submitting Circular Action Alliance's [plan amendment on ecomodulation](#) of producer fees to the Oregon Department of Environmental Quality on May 16, 2025, for the implementation of a producer responsibility program for packaging, printing and writing paper, and food serviceware in Oregon under Senate Bill 582 of 2021 (Act).

A program plan is an enforceable document in which a PRO lays out its approach to fulfill its obligations under statute and rule. In addition to being subject to enforcement should a PRO deviate from implementation of the plan without seeking a plan amendment, a PRO is also accountable directly to the statute and rules.

This letter and its attachment comprise DEQ's official response to the plan amendment, pursuant to ORS 459A.878(1). DEQ's response was informed by [public comment](#), available on DEQ's website, and by input received from the Oregon Recycling System Advisory Council during its July 1 and July 16, 2025, meetings.

In August-September 2025, DEQ and Circular Action Alliance discussed the plan amendment and the four key issues with the amendment raised in public comments and by the Recycling Council. To address one of those issues, DEQ and CAA agreed upon a content change that would allow for DEQ approval. For the other three issues, no changes were deemed necessary. A version of the plan containing the directed changes is located in the attachments to this letter. DEQ's responses to CAA for the four focal issue areas are further summarized below.

**DEQ hereby approves the program plan as amended, effective immediately.**

Summary of Directed Changes and DEQ Feedback on Four Focal Issues<sup>1</sup>

Page numbers cited are specific to the version of the plan containing tracked-changes in Attachment 1, *CAA Edited Oregon Program Plan Amendment 9.12.2025*, unless otherwise noted.

## **1. Sufficiency of the bonuses for substantial impact reduction.**

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<sup>1</sup> Note: additional, minor changes were made to correct typographical, alignment, and other errors in plan language.

*An insufficient bonus would not meet the requirement of ORS 459A.884(4) that fee adjustments continually incentivize producers to continually reduce the environmental and human health impacts of covered products.*

DEQ views that the multipliers for Bonuses B and C that appear in Table 24 on page 218 inadequately reward increased effort by producers to achieve greater impact reduction (e.g. Tier 2 or Tier 3 impact reduction vs Tier 1), and could interfere with CAA's ability to fulfill the impact reduction mandate of ecomodulation of producer fees laid out at ORS 459A.884(4). That said, DEQ acknowledges that it is very difficult to assess the sufficiency of ecomodulation bonuses at the outset of a program, and producer engagement as the program advances will be a better data point for further consideration than anything currently available.

As such, DEQ is, for now, directing a minor increase to the Tier 2 and 3 multipliers in Table 24 (from 2.25 and 2.5 to 2.5 and 3.0). Other edits to align content to this change are marked in Attachment 1. DEQ encourages evaluation of bonus sufficiency in annual reporting and reconsideration of the multipliers and other aspects of bonus magnitude in the next program plan.

**2. Differentiated treatment for reuse and refill in a way that maximally incentivizes impact reduction (pursuant to ORS 459A.884(4)).**

**3. Balancing among incentivizing established reuse programs that are definitely delivering impact reduction vs incentivizing new reuse programs whose benefits may yet be uncertain, in a way that maximally incentivizes impact reduction (pursuant to ORS 459A.884(4)).**

**4. Drawing bonus funding from the producer collective in a way that maximally incentivizes impact reduction (pursuant to ORS 459A.884(4)) and limits cross-subsidization among materials (pursuant to ORS 459A.884(1)).**

DEQ is satisfied with CAA's proposed treatment of these issues and directs no changes. DEQ encourages CAA to evaluate program success with respect to these parameters in annual reporting, and to reconsider all three of these issues in the next program plan.

A clean copy of the approved plan incorporating these changes is included in Attachment 2, *CAA Final Approved Oregon Program Plan Amendment 9.12.2025*. If you have questions about this letter or the terms of this approval, please contact Nicole Portley, PRO Plan Lead at (503)839-9323 or [nicole.portley@deq.oregon.gov](mailto:nicole.portley@deq.oregon.gov).

We look forward to further collaboration with CAA and other partners to modernize Oregon's recycling system.

Sincerely,



Cheryl Grabham

Manager, Product Stewardship Program

Attachments

1. CAA Edited Oregon Program Plan 9.12.2025; with tracked changes
2. CAA Final Approved Oregon Program Plan 9.12.2025; clean copy