

Recycling Modernization Act: Commingled Recycling Processing Facility Technical Workgroup Meeting #1 Summary



State of Oregon
Department of
Environmental
Quality

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Tuesday Dec. 20, 2022: Noon to 3:00 p.m. (Pacific)

Time	Topic
Noon	Welcome, review agenda, meeting logistics and introductions Justin Gast and Cheryl Grabham with DEQ started off the meeting with a warm welcome to the group and their own personal introductions. Justin then walked through the agenda for the meeting. He shared the expectations and meeting ground rules for how the Recycling Modernization Act (RMA) question and answer portion of the will be conducted, ensuring that DEQ wants to allow everyone to speak.
12:15 p.m.	Review and discuss workgroup charter and role of the technical workgroup. Justin spent a few minutes reviewing the workgroup's charter and laying out what the group will and will not be doing (i.e. discussing other RMA work irrelevant to the MRF-related work); going over how long the group will be meeting (December 2022-November 2023); what the meeting time commitments will be; noting that DEQ will work with Crowe LLP on this project; and, that, when necessary, other professionals will participate in the meetings as special guests. Justin highlighted that this is an informal workgroup convened to bring industry knowledge and insight into the research process. Next, technical workgroup members all introduced themselves and shared where they work and what their roles are, then DEQ staff involved with the project introduced themselves.
12:35 p.m.	What will 2023 look like for Commingled Recycling Processing Facilities (aka MRFs): Justin began this portion of the meeting describing the two different fees that producer responsibility organizations (PROs) will pay to commingled recycling processing facilities and the studies that will need to be undertaken to help establish those fees. The first fee is the Contamination Management Fee (CMF), which is to be paid by the PRO(s) to commingled recycling processing facilities to compensate the facilities for the costs of removing and disposing covered products that are contaminants The second fee is the Processor Commodity Risk Fee (PCRF), which is to be paid by the PRO(s) to commingled recycling processing facilities to ensure that producers share in the costs of fully processing commingled recyclables that are covered products.

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	<p>Additionally, Justin covered the permit and certification programs (ORS 459A.955 and .956) that will be addressed with this project, as well as covered the contamination assessment work (ORS 459A.959) that will impact commingled recycling processing facilities and recycling reload facilities. NOTE: the contamination assessment work will be conducted in conjunction with the research undertaken for DEQ to meet ORS 459A.929(1)(b).</p> <p>Next, Peter Spendelow with DEQ talked about the work associated with the 2023 Waste Composition Study. He explained three parts of the study: disposed waste (solid waste from route trucks and self-haul customers), inbound commingled recycling (unsorted commingled recycling from route trucks), and outbound commingled recycling (sorted recyclables ready for market, and residual material).</p> <p>Questions from workgroup members were around how the waste composition study will determine where loads were coming from (commercial, single family, multifamily). Attention was brought to the differences in how material is brought to facilities (baled, loose, or in trailers with walking floors) and how that will impact the study. More questions were asked specifically about the two RMA-related MRF fees and what they will cover and how they will work. DEQ went into further depth about how the fees will be established and how each fee will function, both on their own and together.</p>
1:30 p.m.	Break
1:40 p.m.	<p>Recycling Modernization Act questions and answers</p> <p>Q: Why are garden hoses a non-covered product? A: DEQ explained the difference between a covered product (packaging, printing and writing paper and foodservice ware) and a non-covered product – as it relates to contamination at commingled recycling processing facilities – the difference between the two acceptance lists (Uniform Statewide Collection List or USCL and PRO Recycling Acceptance List), and went over the different combinations of those two criteria for materials.</p> <p>Q: A concern over certain language in the law and that PROs will try to get out of covering the handling of non-covered products. A: DEQ reassured that there are several different elements in RMA that help prevent this. PROs have to pay for contamination reduction programming, and it is in their best interest to help reduce contamination from inhibiting the functionality of a commingled recycling processing facility, regardless of the material's status as a covered product or not. Additionally, there are different pathways that a material can be added to a recycling acceptance list: adding a material through rule, specifically-identified material (SIM) designation and the “on ramp” pathway (via the PRO’s program plan). In the last two pathways, DEQ shared the requirements that PROs will have to go through to demonstrate that a material should be added to an acceptance list.</p> <p>DEQ then spent some time explaining the responsible end market requirements and how PROs and commingled recycling processing facilities have some joint liabilities. PROs are directly responsible for the materials on the PRO Recycling Acceptance List but share a responsibility with MRFs for the USCL items, SIMs, and any plastic used to meet the statewide plastic recycling goal. DEQ went over the four criteria for a</p>

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responsible end market (proposed in rule: Compliant, transparent, environmentally sound and achieving adequate yields) and reminded the workgroup members who operate commingled recycling processing facilities that in the end, they are the ones responsible for final disposition of the materials that move through their facility. If an end market is found to not be responsible, DEQ went over the different mechanisms that are available to help move materials to a responsible end market.

Q: What is the process if a facility discovers that a material (example used: aseptic and gable top containers) needs to be handled differently due to it being a contaminant further upstream, but in order to handle that material differently it will have a large price tag?

A: If an end market is not meeting the fullest extent of the four criteria for a responsible end market, then the MRF needs to determine whether or not it's a disposition problem and choose the proper route to handling the issue. In terms of the large price tag, DEQ shared that if a life cycle analysis is done that reveals recycling a material as the best environmental option, then the costs of getting that material recycled are justified.

Q: What happens if a commingled recycling processing facility sells PET (for example) to be recycled into carpet but the PRO wants the PET to be turned back into bottles? What are the rules of engagement here?

A: PROs do have an obligation to send materials to their best and highest use, but MRFs do not have that obligation.

Q: What level of financial reporting will be required, and how do we handle other forms of revenue being generated under the same roof as a MRF?

A: Crowe LLP will bring a more robust discussion around that topic in future meetings, but know that MRFs will have to report on the other revenue streams, but the main focus will be on the tons of commingled recycling being processed at the facility.

Q: Bottle bill aluminum cans and PET bottles will be accepted in the commingled recycling stream, will costs and tons be included despite being a bottle bill item?

A: Yes, but similarly to toothpaste tubes, they're not a covered product, so the cost to handle these materials and any revenue made off of them will be factored into the study used to determine the Processor Commodity Risk Fee.

Q: If there is only one commingled recycling processing facility that can handle a material, are all MRFs expected to send material there? When does limited market availability take a product off [a list]? Example material used here was cartons.

A: Ultimately it is the MRFs choice of how they handle materials and what markets they send their materials to. If the facility is sending to an end market that can handle and recycle the material, then all is good. But, if the end market cannot recycle all the material it receives from the commingled recycling processing facility, then the MRF will have to adjust and change how they handle the material and who they send it to.

2:45 p.m.	Public input There were no public comments.
2:55 p.m.	Next steps DEQ is working on setting up second workgroup meeting.
3:00 p.m.	Adjourn

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All times shown are estimates and are subject to adjustments to meet the needs of DEQ and workgroup members.

The Workgroup will also be joined by one or more guests for discussions of specific topics.

Alternative formats

DEQ can provide documents in an alternate format or in a language other than English upon request. Call DEQ at 800-452-4011 or email deqinfo@deq.oregon.gov.



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