

Round 2 Infrastructure Scenarios: Questions and Concepts for Discussion

Recycling Steering Committee

June 12, 2020

What's the impact of generator facing contamination reduction programming?

How about the impacts of processing improvements?

What are the impacts of expanding collection opportunities?

Can you simplify things and isolate one variable at a time?

What happens if we have a standardized statewide list?

Should we make any investments given uncertainty?

Base Case
(2017)

Scenario A

Reduced list from 2017; expanded generator-facing programming; MRF investments

Scenario A+

Expanded list; expanded generator-facing programming; MRF investments including in-state advanced container sorting

Scenario B

Expanded list; expanded generator-facing programming; MRF investments + containers to out-of-state advanced facility

Scenario C

Expanded list; dual stream collection; expanded generator-facing programming; MRF investments

What's the impact of generator facing contamination reduction programming?

Base Case
(2017)

New
Scenario A-

(New Base Case
plus generator-facing
programming)

New Base
Case (2018)

Scenario A

Same list as new base case; expanded generator-facing programming; MRF investments

Scenario A+

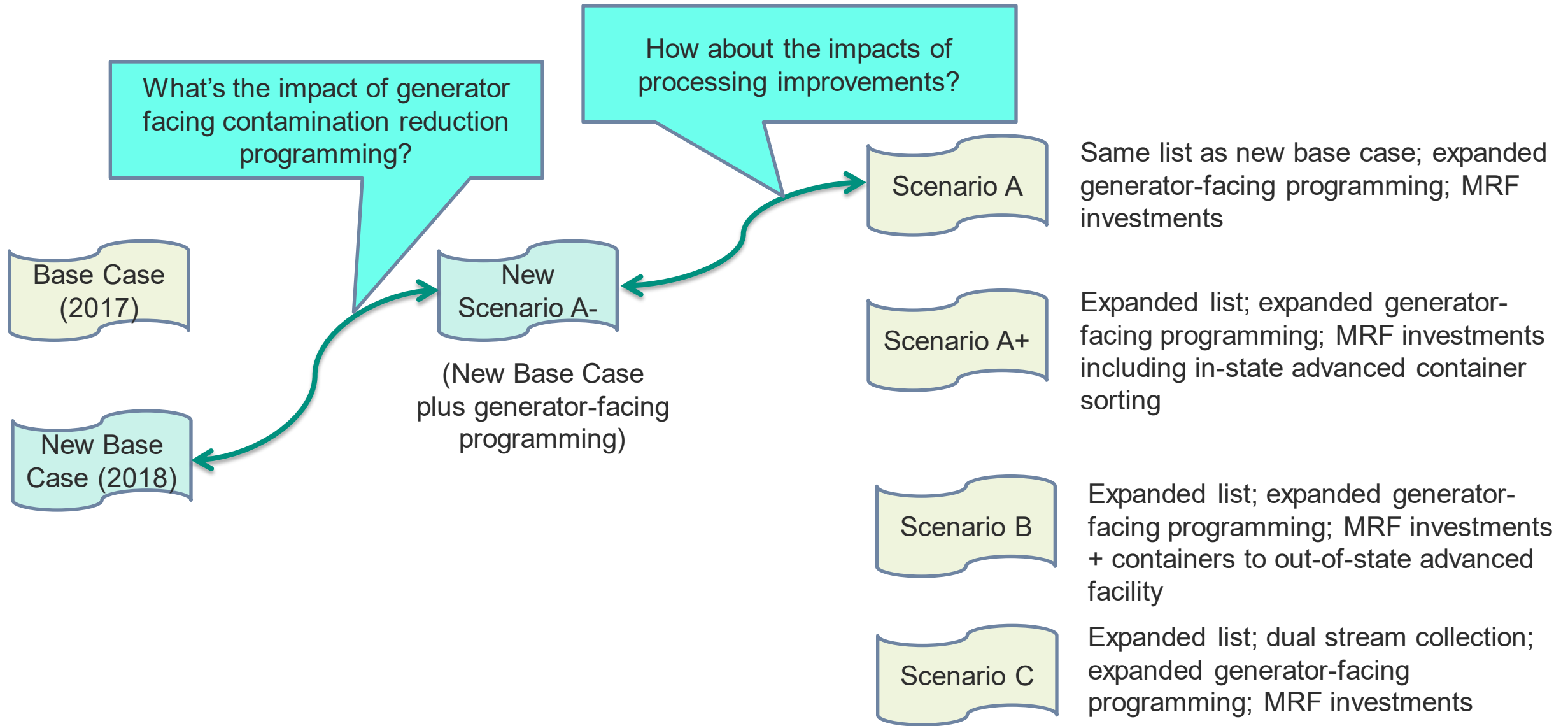
Expanded list; expanded generator-facing programming; MRF investments including in-state advanced container sorting

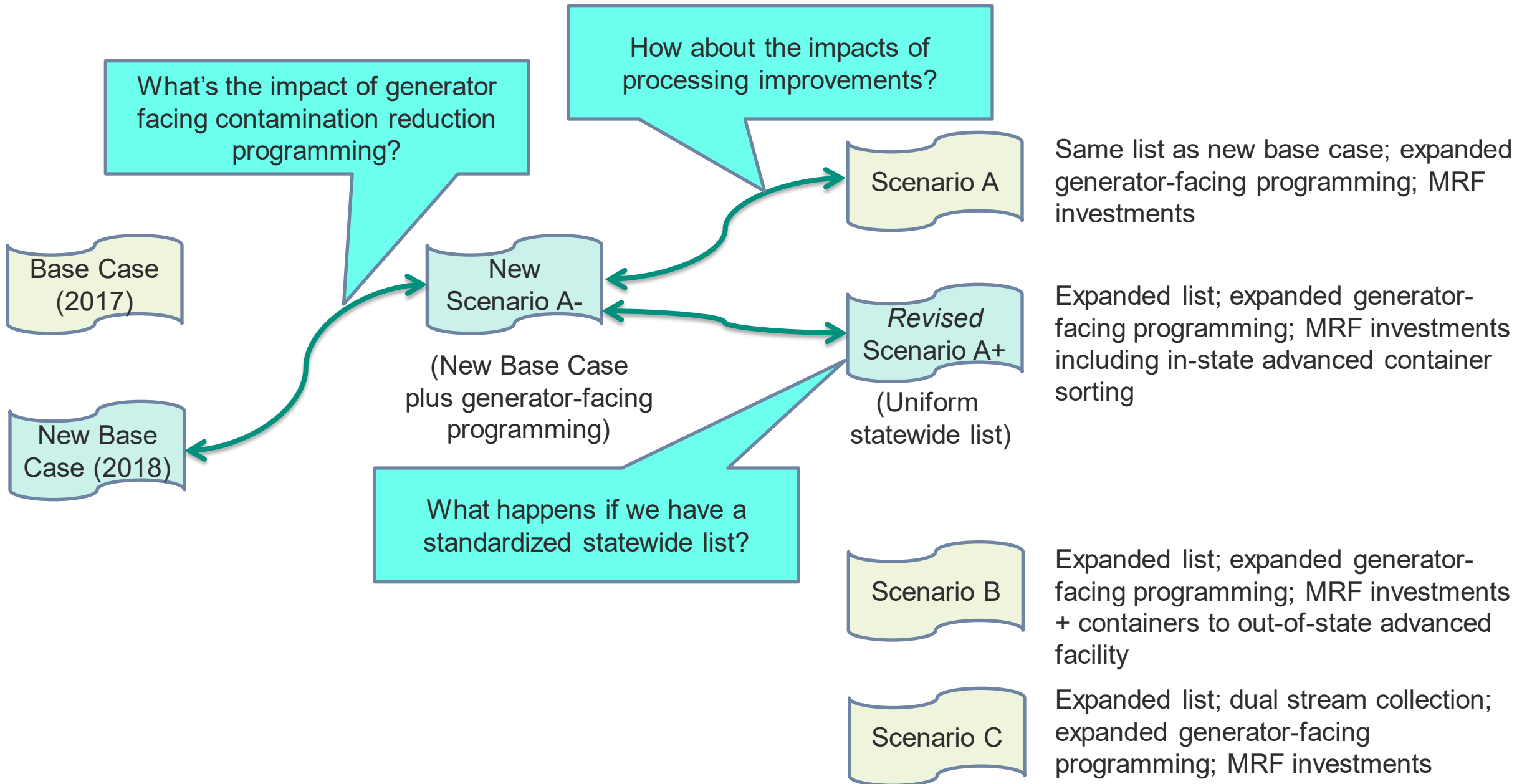
Scenario B

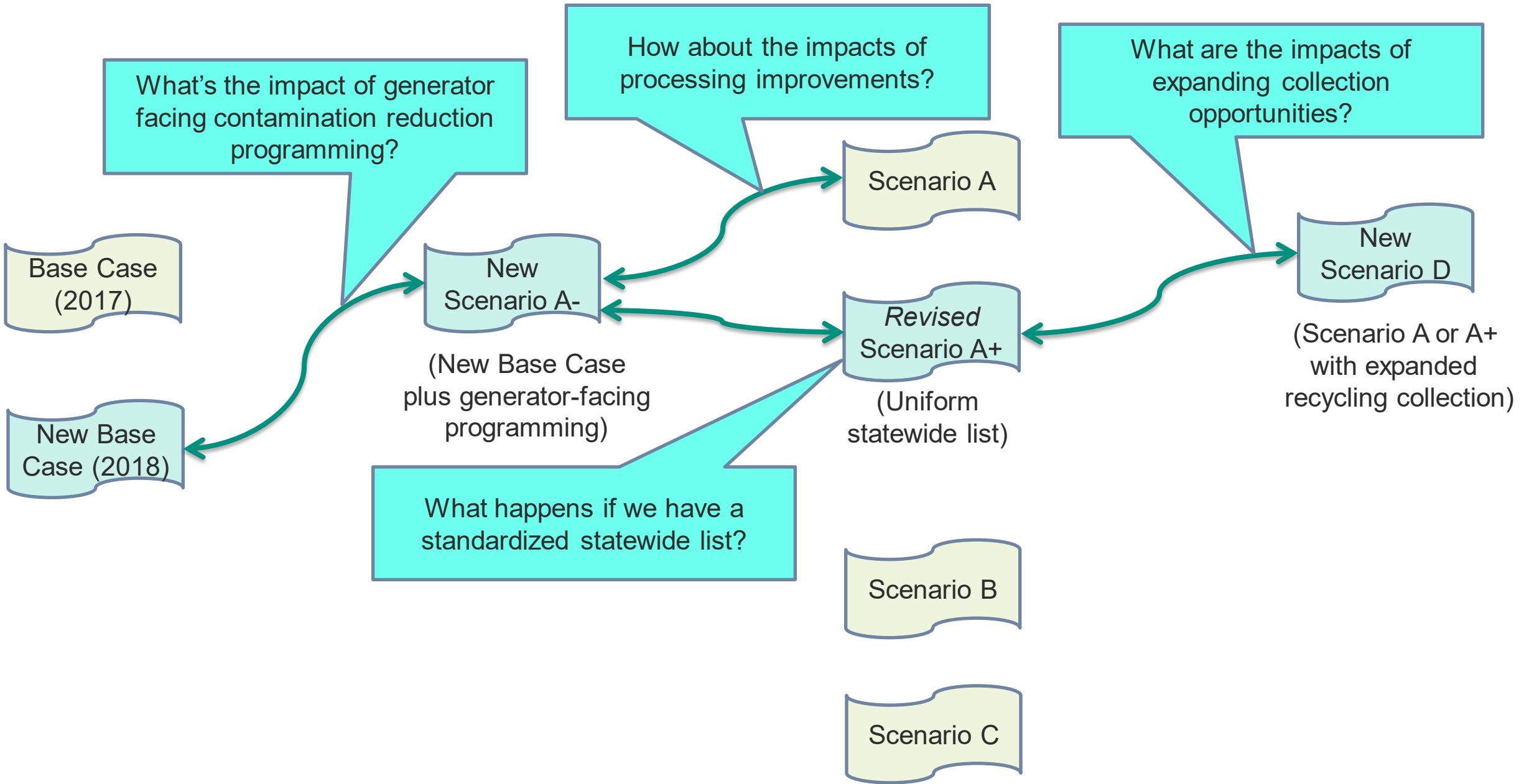
Expanded list; expanded generator-facing programming; MRF investments + containers to out-of-state advanced facility

Scenario C

Expanded list; dual stream collection; expanded generator-facing programming; MRF investments







EPR for Markets

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Which Materials Could Be Subject to EPR?

“Subject to EPR” ≠ “Must be recovered”

Non-exhaustive list of options:

1. All printed paper and packaging
2. Defined types of printed paper and packaging (e.g., “plastic packaging”)
3. Materials that are recoverable, but difficult to market or recover
4. Materials that contribute to system contamination*

*Not a “market” in the traditional sense, but contaminants imperil markets and marketability

EPR for Market: Options

- “Classic” EPR
- Financial-only EPR
- Hybrid (classic + financial)
- “Rates and Dates”

“Classic” EPR

- Producers are responsible for guaranteeing that materials are marketed (recycled) responsibly
- Responsibility can begin:
 - At the front gate of the MRF
 - At the back gate of the MRF
- Typically involves:
 - Program plan (and approval)
 - Periodic reporting
 - Extended accountability and regulatory reach



Financial-Only EPR

- Processors have responsibility to market responsibly
- Producers could provide financial support to markets:
 - To manage received contamination
 - Traditional “market development” activities
- Producers could provide financial support to processors that meet outbound quality standards:
 - Funding/compensation for **infrastructure** to improve marketability
 - Funding/compensation for **operating costs** to improve marketability
 - Reimburse processors if transport + marketing costs fall below a floor price

Hybrid EPR (“Classic” and “Financial Only”)

- Processors have responsibility to market responsibly, unless . . .
- Their cost of transport + marketing costs falls below a floor price
 - *Option* of transferring responsibility to market responsibly to a PRO
 - Materials would still need to meet certain outbound quality standards

“Rates and Dates”

- Processors maintain responsibility to market responsibly.
- Producers are obligated to achieve a recovery rate by a certain date (e.g., 50% by 2030). If they don't, they can be:
 - Fined
 - Required to implement another option (classic EPR, financial-only EPR, hybrid EPR, etc.)