

Recycling Modernization Act: Commingled Recycling Processing Facility Technical Workgroup Meeting #2 Summary



State of Oregon
Department of
Environmental
Quality

Materials Management
700 NE Multnomah St.,
Suite 600
Portland, OR 97232
Phone: 503-229-6495
(office)
503-869-4786
(cell)
Fax: 503-229-6124
Contact: Justin Gast
Justin.gast@deq.oregon.gov

www.oregon.gov/DEQ

*DEQ is a leader in
restoring, maintaining and
enhancing the quality of
Oregon's air, land and
water.*

Thursday Feb. 23, 2023: 10 a.m. to 2:00 p.m. (Pacific)

Time	Topic
10:00 a.m.	<p>Welcome, review agenda, meeting logistics and introductions</p> <p>Justin Gast opened the meeting by introducing himself, reviewing the agenda, and went over changes regarding workgroup members. Mark Andersen with Bulk Handling Systems was introduced as the newest member of the workgroup, and Chris Carey has replaced Dave Larmouth as Recology's rep. Kim Holmes, Rick Winterhalter and Angie Marzano also introduced themselves, as they were not able to attend the December 20th meeting. Justin then went over the workgroup and meeting expectations, and how to provide public comment.</p>
10:15 a.m.	<p>Project updates and follow-up to 12/20 TWG questions</p> <p>Justin provided project updates associated with two sub-projects that just kicked off: Living Wage and Supportive Benefits and work DEQ is conducting internally, looking at the existing Material Recovery Facilities and Transfer Stations permit to determine what existing permit requirements need to carry over to the new Commingled Recycling Processing Facilities (CRPFs) permit program.</p> <p>Two questions from the 12/20 meeting were answered. One sought clarification as to whether or not residue coming out of CRPFs would be considered an expense or a commodity, with the answer being "residue is an expense." The other question involved whether the Processor Commodity Risk Fee study to be conducted by Crowe LLP would focus on costs associated with handling covered products only or all materials. The answer was "all materials."</p> <p>A follow-up question was asked regarding if the costs of disposing of waste that came from the recycling sorting process would be examined, and the answer is yes, that cost will be included as part of the Processor Commodity Risk Fee study.</p>
10:45 a.m.	<p>Crowe LLP – Overview of working relationship with commingled recycling processing facilities relevant to fees studies</p> <p>Wendy Pratt with Crowe LLP provided a quick overview of the consulting firm along with an introduction of herself and her team. Next, Crowe LLP talked about its overall process for the two MRF fee studies they will be conducting (Contamination Management Fee and Processor Commodity Risk Fee) and reviewed the timeline for the project. Crowe LLP spent some time explaining in more detail how its one-on-one</p>

Materials Management Program



State of Oregon
Department of
Environmental
Quality

Materials Management

700 NE Multnomah St.,
Suite 600
Portland, OR 97232
Phone: 503-229-6495
(office)
503-869-4786
(cell)

Fax: 503-229-6124

Contact: Justin Gast

Justin.gast@deq.oregon.gov

www.oregon.gov/DEQ

DEQ is a leader in restoring, maintaining and enhancing the quality of Oregon's air, land and water.

	<p>conversations are going to be conducted with CRPFs and what information they hope to gather from them. They shared how the CRPF site visits will be done and how these visits are supposed to be an opportunity to better understand the operations of a given CRPF. Among other things, Crowe LLP provided clarity into what kind of financial information they are seeking (cost categories and direct costing), how their review process will work, and the steps involved. Discussed next were the allowable costs, the eligible processing costs as identified in statute, contamination management costs, and what “non-allowable” costs will be excluded from the fee studies (e.g., transportation costs to the initial facility, revenue from sales of recyclables, etc.)</p> <p>The process for the labor interviews and information requests were covered in more detail. The remaining portion of Crowe LLP’s presentation involved the team detailing how they compile data and its confidentiality and non-disclosure policies, then Crowe LLP posed a few questions to the group at large and engaged in group discussion. Topics covered included the frequency of the study, what circumstances necessitate changing the fees, who will be interviewed, and what information will be shared with CRPFs in the end.</p>
12:15 p.m.	Break
12:25 p.m.	<p>Discussion – Responsible end markets, certification of end markets Nicole Portley with DEQ presented on the current rules concepts around “responsible end markets,” providing background info on what a responsible end market is, material-specific definitions for “end market,” the four-prong “responsible” standard, implementation pathways, reporting and auditing, plus addressing confidentiality and the term “Practicability,” among other things.</p> <p>Nicole then addressed certification, relevant to ORS 459A.955(3). She reviewed the steps toward Environmental Quality Commission approval of a certification, certification terminology, the methodology for benchmarking existing certifications against DEQ’s “responsible” standard and different accounting methods, among other things. Lastly, she provided a list of certifications for benchmarking and went over the preliminary benchmarking results associated with those existing certification programs.</p> <p>Group discussions were held throughout Nicole’s presentation. Topics discussed included the level of detail in tracking materials and in reporting, as well as how certain accounting methods work. Kim Holmes provided the workgroup a description of the mass balance process and how it works. Lastly, it was suggested that DEQ look into the different certifications for CRPFs and how they could overlap to achieve the desired level certification required (e.g., R2 and RIOS).</p>
1:30 p.m.	<p>Introduction – Defining “Limited sort facilities” Justin Gast provided context around “Limited sort facilities” (i.e., DEQ was asked during the legislative process to define the term) and reminded the workgroup that part of its work is to define the term. He then let the workgroup know that DEQ is discussing this topic internally and will bring more information back to the group at a later meeting.</p>
1:45 p.m.	<p>Public input There was no public comment.</p>
1:55 p.m.	Next steps

Materials Management Program



State of Oregon
Department of
Environmental
Quality

	Justin committed to getting the presentation up on the webpage and reiterated the work DEQ is continuing to undertake for future meetings. He listed some future topics of discussion for the workgroup (e.g., permitting and certification), reminded them of the work Crowe LLP will be doing, then made a solicitation to the group to send DEQ any facilities that they think may fit under the “limited sort facilities” definition.
2:00 p.m.	Adjourn

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

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

Translation or other formats

[Español](#) | [한국어](#) | [繁體中文](#) | [Русский](#) | [Tiếng Việt](#) | [العربية](#)

800-452-4011 | TTY: 711 | deqinfo@deq.oregon.gov

Non-discrimination statement

DEQ does not discriminate on the basis of race, color, national origin, disability, age or sex in administration of its programs or activities. Visit DEQ's [Civil Rights and Environmental Justice page](#).

Materials Management

700 NE Multnomah St.,
Suite 600
Portland, OR 97232
Phone: 503-229-6495
(office)
503-869-4786
(cell)

Fax: 503-229-6124

Contact: Justin Gast

Justin.gast@deq.oregon.gov

www.oregon.gov/DEQ

DEQ is a leader in restoring, maintaining and enhancing the quality of Oregon's air, land and water.