



Oregon Recycling Modernization Act Commingled Recycling Processing Facility Technical Workgroup

Meeting #1

Dec. 20, 2022



Agenda

- Review and discuss charter and role of the technical workgroup
- What will 2023 look like for Commingled Recycling Processing Facilities
 - Recycling Modernization Act
 - 2023 Waste Composition Study
- Recycling Modernization Act – Q and A
- Public Input
- Adjourn



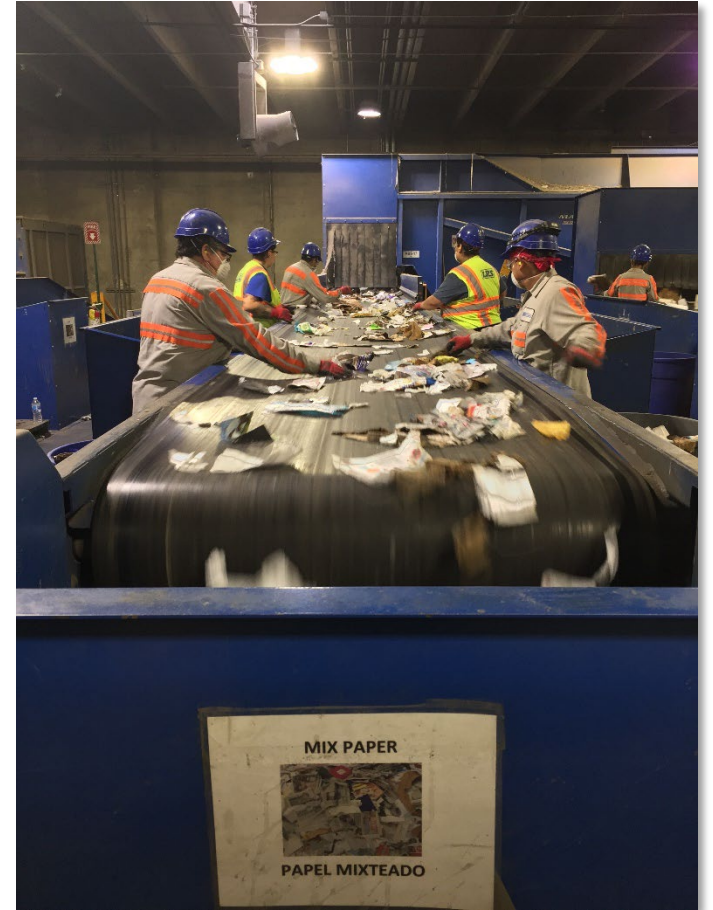
Charter and Role of the CRPF TWG

Commingled Recycling Processing Facility Technical Workgroup
Dec. 20, 2022



Charter and Role

- TWG will review and provide technical feedback to DEQ on research, reports, and memos related to the following:
 - Comingled recycling processing facility permit and certification programs
 - The contamination management fee
 - The processor commodity risk fee
 - Living wage and supportive benefits definition
- Informal workgroup. No voting will be done and no formal recommendations will come from the workgroup.



Pic courtesy of Justin Gast

Charter and Role



Pic courtesy of Justin Gast

- Role of TWG is to discuss topics of interest to the MRF Fees and Permit and Certification Programs work.
- Time will not be spent addressing other RMA projects, unless it's relevant to the MRF-based work at hand.

Charter and Role

- TWG will meet from Dec. 2022 to Nov. 2023 and will conduct most of its meetings during the first half of 2023.
 - 6-8 meetings between 3 to 6 hours each, with support from Crowe LLP.
- Other entities may be invited as special guests:
 - Small-volume rural MRFs (e.g. REACH, Inc.)
 - Equipment manufacturers
 - Brokers
 - Organizations representing front-line workers
 - Community members living near impacted facilities



Pic courtesy of Justin Gast



What Will 2023 Look Like for Commingled Recycling Processing Facilities

Commingled Recycling Processing Facility Technical Workgroup
Dec. 20, 2022



Process – CMF

The **Contamination Management Fee (CMF)** is a fee to be paid by PRO(s) to commingled recycling processing facilities to compensate the facilities for the costs of removing and disposing covered products that are contaminants. (ORS 459A.920).



Pic courtesy of Justin Gast

Process – CMF

- Contaminant is a covered product that is not on the uniform statewide collection list, but shows up in the inbound stream.
- Payment of the fee may not be paid more than once per month and the PRO must pay MRFs within 45 days of a request for payment.



Pic courtesy of Justin Gast

Process – CMF

- A study will be conducted to:
 - Estimate the cost to MRFs of removing and disposing of covered products that are contaminants, reported as the cost per ton of covered products; and
 - Estimate the costs to MRFs of removing and disposing of all contaminants, reported as the cost per ton of all contaminants.
- DEQ shall review the contamination management fee at least once every five years.



Pic courtesy of Dylan de Thomas

Process – PCRFB



Pic courtesy of Justin Gast

The **Processor Commodity Risk Fee (PCRFB)** 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 and to allow local governments to reduce the financial impacts on ratepayers (ORS 459A.923).

Process – PCRFR



Pic courtesy of Justin Gast

“**Eligible processing cost**” means all costs associated with owning and operating a commingled recycling processing facility as determined by the study to be conducted, including but not limited to sorting, handling, storing, disposal, marketing and shipping, administration, rent, fees, depreciation, fixed costs, profit, the target price paid for commingled recycling collected from Oregon and “**anticipated program costs.**”

Process – PCRf



Pic courtesy of Justin Gast

“Anticipated program cost” means all additional costs related to any new requirements of the RMA that are anticipated prior to the next review of the PCRf (e.g., living wage and supportive benefits and costs associated with future permit compliance).

Process – PCRFB



Pic courtesy of Justin Gast

- The PCRFB shall be based on the eligible processing costs of facilities less the “**average commodity value**” of recyclable materials processed by facilities.
- “**Average commodity value**” means the average revenue paid by brokers or end markets, after processing by a commingled recycling processing facility, for a composite ton of commingled material collected for recycling in Oregon.

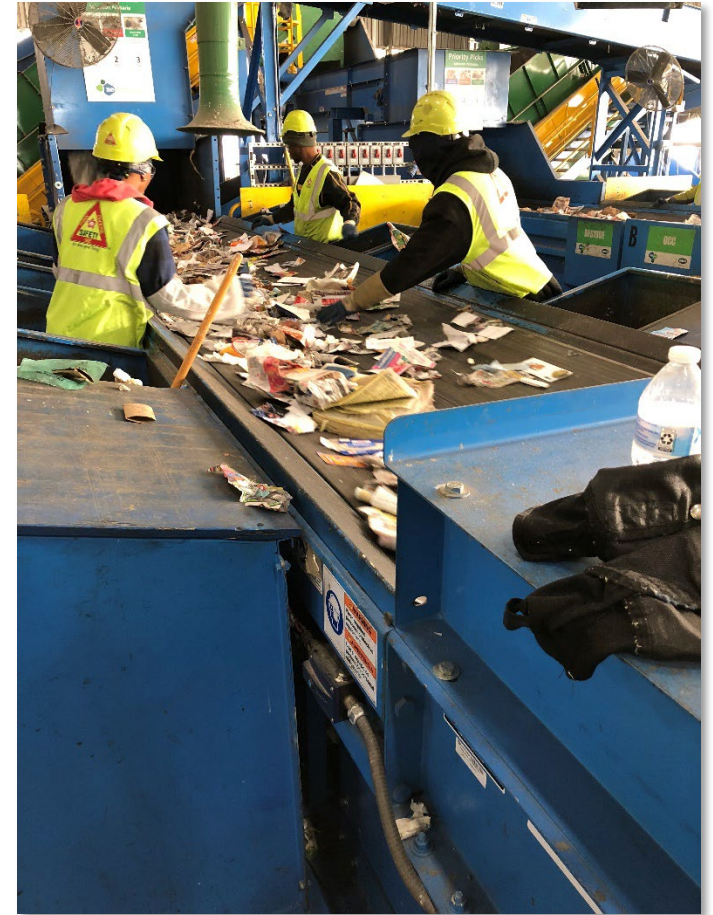
Process – PCRFB

Other notables

- Payment of the fee may not be required more frequently than once per month and must be paid within 45 days of a request for payment.
- The fee may not be based on commingled recycling originating outside of Oregon.
- For purposes of calculating the PCRFB, allow the average fee charged by commingled MRFs for acceptance of Oregon-generated commingled recyclables to target a price of \$0/ton, expressed on the basis of compensation per ton of delivered material.
- Fee is to be paid on the basis of recyclable material received by or sold from a commingled MRF.
- The average commodity value per ton of commingled materials collected in Oregon may not be updated no more than once per month.
- A review process will be established to ensure the fee is appropriately charged.

Process – CMF and PCRf Studies

- The law requires DEQ to commission an “independent organization” to conduct both studies associated with the CMF and PCRf (Contractor: Crowe LLP).
- Both studies are voluntary. But, choosing to not participate in a study disallows a commingled MRF from receiving funding from that fee.



Pic courtesy of Justin Gast

Process – Permit and Certification



Pic courtesy of Justin Gast

- Under ORS 459A.955, a person may not establish or operate a commingled recycling processing facility in this state unless the person obtains a disposal site permit issued by DEQ under ORS 459.205.

Process – Permit and Certification

Other notables

- Sort all materials collected from the public so that materials do not become contaminants in other waste streams.
- Market materials to responsible end markets or to another commingled MRF.
- Manage contaminants to avoid impacts on other waste streams or facilities.
- Refrain from creating a public nuisance or health hazard.
- Limit air or water pollution or other adverse impacts on public health or the environment.
- Evaluate and report on inbound material quality and contamination.
- Accurately report outbound contamination levels
- For all materials held by the processor:
 - Accurately report the final end market of the materials; or
 - Obtain a certification that the responsible end markets for the materials meet standards for environmental and social sustainability established by a program approved by the Environmental Quality Commission

Process – Permit and Certification



Pic courtesy of Justin Gast

- The proposed permit requirements must also be evaluated for financial impact:
 - The mandated fiscal impact assessment
 - The processor commodity risk fee must include “anticipated program costs” that include the cost of future permit compliance.

Process – Contamination Assessment



Pic courtesy of Justin Gast

- ORS 459A.959 requires DEQ to establish forms and procedures for commingled MRFs and recycling reload facilities to evaluate and describe levels of inbound contamination.
- This work will be done in conjunction with generator-facing contamination reduction work.

Process – Contamination Assessment



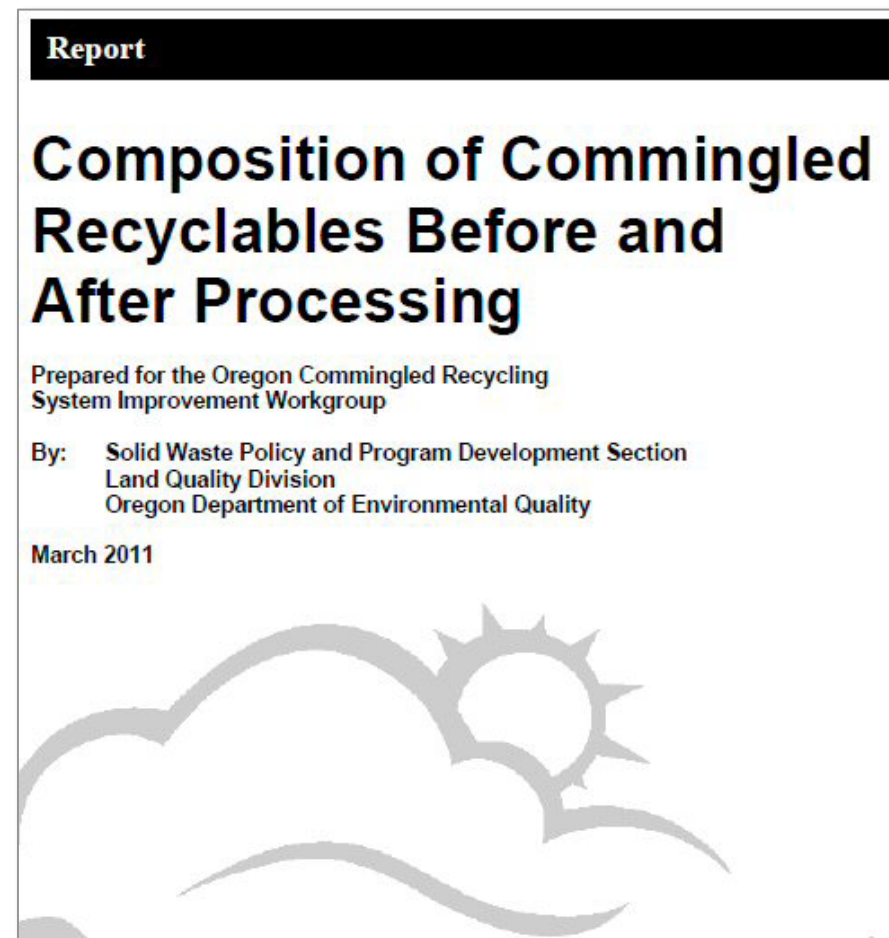
Pic courtesy of Dylan de Thomas

- Contractor will create and test two on-site sampling methodologies:
 - One standardized, but simple and fast enough to be done regularly without substantially slowing down of MRF operations.
 - The second will be done less frequently, but with similar rigor to the WCS. to validate the results of the easy and fast process.
- The forms and procedures created from this project will become the requirement under the permit and certification programs.

Oregon 2023 Solid Waste and Recycling Composition

2009/2010 DEQ Study

- 3 Parts
 - Disposed Waste
 - Inbound Commingled Recycling
 - Outbound Recycling from Commingled Stream
- For inbound and Outbound studies, similar to DEQ's 2009/2010 Study
- Contractor: Sky Valley Associates, with Cascadia Consulting as subcontractor
- Will not be successful without significant cooperation



Oregon 2023 Solid Waste and Recycling Composition

Inbound Commingled Recycling: Purpose

- Provide background data to use in determination of Contamination Management Fee, Commodity Risk Fee, and Transportation Reimbursement
- Determine composition and current levels of contamination in incoming commingled recyclable streams
- Determine the percentages of both commingled recyclable materials and contaminants that are covered products.
- Example: Drug Packaging Exemption



Pic courtesy of Justin Gast

Oregon 2023 Solid Waste and Recycling Composition

Inbound Commingled Recycling: Methodology

- Collect 350 commingled recycling samples statewide over 12 months
- Samples will be 250 pounds each
- Samples collected directly from route trucks or commingled material from depots – not from transfer trailers.
- Collecting samples at ~30 recycling reload and processing facilities
- Will be requesting data from each facility on the route trucks bringing in commingled recycling
- Some samples sorted on-site. Others taken to a different location to sort



Pic courtesy of Justin Gast

Oregon 2023 Solid Waste and Recycling Composition



Pic courtesy of Justin Gast

Outbound Recycling: Purpose

- Provide background data on current levels of sorting effectiveness
- Will be used for determining standards for commingled recycling processing facilities under the Recycling Modernization Act
- Update information from similar 2009/2010 study

Oregon 2023 Solid Waste and Recycling Composition



Pic courtesy of Justin Gast

Outbound Recycling: Methodology

- Work with all of Oregon's Commingled Recycling Processing Facilities
- Visit each facility 2 times – 6 months apart
- Collect samples from all commodity streams and waste/residue streams produced from sorting commingled recycling
- Approximately 30 commodity/residue samples each visit – 60 total per facility
- Approximately 2 days per facility per visit
- Pre-meeting with each facility before sorting starts to devise sampling plan specific to each facility



Short Break

The meeting will resume at approximately 1:48 p.m.

