



Recycling Steering Committee

Modernizing Oregon's recycling system with support from Oregon Consensus

Welcome & Meeting Purpose: Robin welcomed the group and introductions were made. Robin shared the goals of the meeting were to: continue with the gap analysis exercise to understand how well Oregon's current system meets the desired future state key functions described and agreed to at the previous SC meeting; and review the draft Legal/Relational research scope of work. Robin shared the group wouldn't be rating on an A-F scale how well the current system performs each function, but rather, the group would describe how it performs and identify areas for improvement. Following this, the group was invited to begin the exercise.

Whole System Design: Optimizes the benefits of recycling considering life cycle-impacts and costs.

Is this function currently happening? No.

- The system currently is not fully designed with life cycle analysis in mind. There are some best practices in place, but no policy directing the system to use DEQ's Waste Impact Calculator model.

Resiliently adapts to changes in materials supply and end-market demand.

Is this function currently happening? No.

- Changes in the market create challenges for MRFs; investments in technology are costly and there is a reluctance to put in place long-term capital improvements with constant changes in the market.
 - Collectors are not able to control the flow of materials. This leaves MRFs having to deal with the materials even if there is no market at all.
 - Besides rate payers, there isn't a buffer to withstand the stress to the system.
 - Uncertainty in the market makes it difficult for the system to stay resilient and nimble.
- Changes in accepted materials list poses a challenge for public education and behaviors.
- No risk sharing in the system to create buffers; e.g. no long-term contracts, statewide policies or priority investments, etc..
- Equity issue: not all prices are created equal for every hauler which also reflects inequities for ratepayers..

Provides equitable and sustainable financing for stable operations and capital investments.

Is this function currently happening? It's mixed.

- For collections there are franchise agreements that provide stable funding
- For processors, there are not equitable capital investments.
- There is no general economic development strategy or clear articulation of the desired capital investments needed over time.
- There is no designated fund for modernizing Oregon's recycling system to help with the recycling market volatility, such as Gresham's Rate Stabilization Fund.

ACTION ITEM/FUTURE AGENDA TOPIC: Shannon to share his presentation of the Gresham Rate Stabilization Fund.

Integrates system components to achieve overall system goals:

- Transparency challenges integration among the system players.
- Enforcement tools are applied inconsistently.
- There are communication gaps between MRFs and the haulers.
- There isn't the ability to have local control over the markets.
- There isn't an adequate amount of shared risk across the system.
- There aren't many system supports to MRFs.

Includes mechanisms to reduce impacts of materials.

- This function may be within the Steering Committee's scope of work if addressed through a Life Cycle Analysis (LCA) perspective. If looking through a LCA lens, it's not high functioning because LCA isn't yet the driver to reduce impacts of materials.
- There is a need to incorporate elements of LCA to help drive better system design.
- This is an opportunity to reframe recycling and articulate its benefits in terms of life-cycle thinking. This may lead to consumer behavior change and helping them to consume differently.

Designs for equity - examining the burdens and benefits across the state.

- Current infrastructure is not designed for equity.
- For multifamily units there is inconsistent access to services.
 - Owners of multifamily housing have a larger role in determining whether or not communities have access to recycling, rather than single family homes in the same jurisdiction.
- End markets have an impact on citizens.
- There is a difference between access and "convenient" access. No equity design for convenient access..
- There aren't shared responsibilities across MRFs.
- There isn't responsibility for producers in the system.
- There are unique challenges that impact rural communities. Decisions in recycling programs differ across rural communities and the ability to recycle and use collection drop offs are limited.
- There are conflicts to urban "neighbors" of MRFs.
- Economy - not equitable access to jobs/shares into the system.

Potential future research questions/needs identified:

- Look in to models that strike a balance between statewide standardization and local flexibility.

- What are the different mechanisms that help stabilize the recycling system when there's volatility in the market?
- Could there be a regional approach /model legislation to develop guidelines to influence distributor packaging?
- Would businesses in Oregon be willing to buy one type of take out container? Are there other systems better addressing take out container / compost issues?
- What types of interventions most influence producers and distributors who are sending misleading messages to consumers?
- What types of partnerships exist that foster more transparency and accountability across the system?
- What about enforcement mechanisms to ensure transparency and accountability across the system?
- What are other financing models that can support economic development?

Inquiry to processors: What are the challenges you experience as a MRF and what would support you and/or be tolerable to you. Is there enough volume in material in Oregon for each MRF to be sustainable?

Responsibility - *Shares responsibility for the system among players including residents and businesses, producers, state and local governments and recycling industry.*

Is this function currently happening?

- Collectors and local governments do share responsibility well in the current system. Responsibilities between processors and end markets is not shared.
- There is no producer responsibility, involvement, or incentive to making it easier to recycle.
- There is an overburden on ratepayers.
- Decision making is not shared across the system.
- No capital investment strategy involving all parties.

Goals and Measures: *Uses goals and metrics to measure progress and support ongoing improvement.*

How well does it perform the function: B/ B-

Is this function currently happening? Yes, but...

- The goals and metrics are not in place system wide.
- The goals and metrics vary across the system.
- Right now the metrics are weight based, rather than based on the goals articulated in the 2050

vision.

Materials Collected: *Identifies beneficial materials acceptable for collection programs.*

How well does it perform the function: C

Is this function currently happening? Yes, but...

- There is no common understanding of what "beneficial" means in this context and there are different approaches across programs regarding what is considered a beneficial material.
- Materials collected are mixed across the system and there is a lack of uniform criteria / standard.
- We are far from meeting environmental benefits described in the 2050 vision and there is a disconnect between environmental values and economic values.
- Generally, the state is doing well collecting materials that are considered high value (e.g. paper, metals, and some plastics), but not doing well on keeping low value materials out.

Potential future research questions/needs identified:

- How do other systems define and measure "beneficial materials."
- How do other system frameworks do materials collection?
- Economic analysis of the Oregon recycling system

Collection: *Collects clean, acceptable materials for processing.*

Currently happening, but...

- Room for improvement re: education and what is on the list.
- Varied contamination reduction plans across programs.
- 10% contamination co-mingle: but facilities have consistently been able to take materials.
- **See: Education/Outreach**

Education and Outreach: *Educates and encourages residents and businesses to use the system properly; Engages the public to understand the benefits and the costs of recycling, preventing waste and reducing impacts of materials throughout their life cycles.*

How well does it perform the function: A on volume of education and outreach; C for effectiveness.

Is this function currently happening? Yes, but...

- There is inconsistent education and outreach to consumers, dependent on relationship, financial and staff resources.
- Education is not well coordinated or “harmonized” across the (Metro) region. There are many outreach campaigns happening, but there seems to be redundancies in the system.
- No clear best practices for effective engagement strategies.
- No cost benefit analysis to determine how much resources to put into education and outreach.
- New awareness re: contamination -- no clear strategy.

Future research questions/needs:

- Cost/benefit analysis of education and outreach
- Effective education strategies to influence behavior change

Transparency and Accountability: *Ensures materials are managed responsibly from collection through end markets; ensures all players in the system perform responsibly.*

How well does it perform the function: Transparency through collection is A. Transparency through processors B. End markets – F

Is this function currently happening? Yes, but...

- No transparency through end markets.
- The system is weak on reporting requirements regarding where materials go after they are collected at the curb. (It was noted that as of January 1, Metro will require high level of reporting from the MRFs in that jurisdiction.
- Feedback loops are inconsistent; not clear or easy to show what rates/rate increases pay for.

Future research questions/needs:

- How do you get a system that has a secondary processor?

- What are the types of incentives that create the right level of cooperation needed to make a change?
- How do you operationalize collection systems?
- What are the responsibilities of all the players?
- What are the different types of contractual arrangements that might be applied in Oregon?

Potential tradeoff question to the public:

- Would you pay more if your recyclables stayed within a domestic market?

Processing: *Ensures processing facilities receive clean materials and in sufficient volumes.*

Produces quality materials that reach end markets.

The group determined they could offer initial perspective but need voice of processors to weigh in on this piece of the analysis.

- What does the public value? Not calibrated to public's needs
- Sufficient volumes for processors difficult because there are 6 processors.
- No current control; not clear where we want end markets to be.

Needs more study. See next steps below.