



ESTABLISHED 1975

To: House Appropriations Committee
From: Kim Crosby; Director of Environmental Compliance
Date: March 22, 2023
RE: H. 158 An Act related to Expanding the Bottle Bill

Casella is headquartered in Rutland, Vermont and has been providing solid waste and recycling services in Vermont since 1975 and employs 670 Vermonters. Casella opposes H.158 because the bill will increase the cost of recycling to Vermonters and will do little to help Vermont's ability to achieve its statewide recycling goals. This bill jeopardizes existing and future investments into Vermont's recycling infrastructure. The bill will also likely increase carbon emissions.

Recycling Facilities & Markets

Casella operates the materials recycling facility (MRF) in Williston through a contract with Chittenden County Solid Waste District (CSWD). Casella employees, including eight that are from the Vermont Refugee Program, process the material brought to the facility. With the exception of glass, we assist CSWD with the marketing of their processed materials. Casella owns and operates the recycling facility in Rutland - in 2022, we processed approximately 38,000 tons of single stream recycling. Of that 38,000 tons, we sent 659 tons of PET to processors; of the 659 tons, almost half of that was sent to processors that make beverage containers, specifically plastic water bottles.

Casella sent 231 tons of aluminum cans to be made into new aluminum cans. This is the same market that the Bottle Bill Systems uses for aluminum cans. Whether the material that we process is made into bottles, cans or other products, the material that we are supplying to processors alleviates their reliance on fossil fuels and other natural resources to make their products.

40% of the material that enters both recycling facilities is mixed paper. From last October to February of this year, mixed paper was worth nothing. In March of this year, the price per ton went up to \$5/ton.

PET is currently worth \$277/ton and Aluminum is worth \$1500/ton. The commodity prices change on a monthly basis. **Bottle bills threaten the economic viability of recycling facilities when they skim off a portion of these valuable recycling streams.**



ESTABLISHED 1975

H.158 will remove the valuable material from the MRF resulting in a direct increase in costs to Vermonters. When recycling facilities lose more of the valuable materials to the bottle bill system, they must raise their fees in order to make up for the loss in revenue. Increases in recycling would impact municipalities, schools, colleges, hospitals, solid waste haulers, solid waste management entities, restaurants, businesses, and residents – **all of whom are required to recycle by law** and many of which are already suffering financially from inflation. **We have determined that the cost of recycling could increase to all Vermonters by approximately 7% which equates to about \$10/ton more to our current tip fee.**

Glass

Casella is fortunate that the Rutland Recycling Facility is located next to the Vermont Rail System which allows us to economically transport the glass to Strategic Materials located in North Carolina – we send one rail car per week and each rail car carries about 100 tons of glass. In 2022, we transported approximately 4,975 tons of glass to Strategic to be made into glass bottles and fiberglass insulation. **These are the same markets that the bottle bill is using for glass.**

Whether glass is collected through single stream or the bottle bill system, glass is expensive to transport because of its weight. We need to support local uses for glass. VTRANS has testified that Vermont is experiencing a sand shortage and can use recycled glass as a sub-base for road construction projects, it does not make sense to transport glass to out of state markets when it can be used and is needed here. Additionally, Recycled glass can be used as a substitute for sand, made into light weight aggregate materials such as foam glass or used to make concrete known as pozzolan.

Universal Recycling Law & Investments

In addition to mandating that all Vermonters recycle, the Universal Recycling Law requires transfer stations and drop-off facilities to collect recycling, requires recycling receptacles in public spaces and requires solid waste haulers to provide recycling services to all new and existing customers.

The most efficient and economical way for haulers to provide mandatory curbside recycling services is through single stream collection. Single stream is also the most convenient option for Vermonters, and convenience was deemed as one of the most important factors in encouraging Vermonters to recycle more and throw away less. For these reasons, many communities



ESTABLISHED 1975

throughout the country have modified their recycling programs to the single stream model. Many Vermonters like the convenience of single stream which is why we see material that is currently in the bottle bill system at our recycling facilities.

Since 2011 and the passage of the Universal Recycling Law, Casella has invested \$11M in upgrades to the MRF, technology to improve the qualitative of glass and paper, depackaging facility in Williston, the installation of robotics to improve sortation, capture more recyclable material and compensate for the lack of available labor.

In December of 2022, we invested and successfully secured grant funding to purchase the first electric truck. The truck is operating in the Rutland area and is equipped for collecting waste and recycling simultaneously. By switching one truck from diesel to electric, Casella expects to conserve over 7,500 gallons of diesel fuel per year, eliminate over 78 metric tons of greenhouse gas emissions per year, which is equivalent to taking around 16 passenger vehicles off the road.

Not included in the investment is the additional collection vehicles and containers purchased by Casella and other haulers needed to comply with the Universal recycling Law.

Diversion Goals

Vermont has a State-wide goal to reduce the disposal of solid waste and increase the statewide diversion rate to 50% by 2024. The State's current diversion rate is hovering around 34%.

Prior testimony from DSM who prepared the 2013 Systems Analysis and the 2018 Waste Characterization Study for the Agency, shows that **an expanded bottle bill would result in a maximum reduction of landfilled waste in Vermont of 1% and would increase bottle bill operational costs by an additional \$4 million per year.** That study showed that the current system cost around \$8 million to operate and it would cost around \$11 to \$12 million to operate if the system were to expand. The data in the report shows that beverage containers – regardless of whether they are covered by the bottle bill – **are recycled at a very high rate and expanding the bottle bill would only have a miniscule effect on the overall diversion rate.** The Agency has also testified that the materials are either being recycled through one system or the other.



ESTABLISHED 1975

Greenhouse Gas Emissions

Shifting material from the single stream system to the redemption system will require additional truck trips or trucks on the road to collect this material. These trucks are often tractor trailer trucks powered by diesel fuel. Transportation has been determined to be one of the largest contributors to greenhouse gas emissions. In 2006, DSM on behalf of the Agency conducted a survey of consumers redeeming containers in Vermont and concluded that consumers made 950,000 special trips for a combined mileage of 7.6 million miles per year, costing them \$3.67 million based on the mileage rate at that time.

We expect that the number of trips and mileage could increase under an expanded system, as well as the cost especially considering today's fuel prices. Requiring Vermonters to make additional special trips and adding more trucks on the road to collect this material is not conducive or in-line with the goals outlined in the Global Warming Solutions Act. With the focus on climate change, we should be evaluating ways to improve collection efficiencies by reducing the number of trucks on the road, not increasing them.

In closing, we urge the General Assembly to support Vermont's recycling infrastructure by opposing H.158. **We should be working together to focus on ways to address materials that are not recyclable instead of focusing on materials that already are.**

Thank you. We hope that you will reach out with more question before you vote to divert materials from the Vermont Recycling System and increase costs to Vermonters.