



CHITTENDEN SOLID WASTE DISTRICT
1021 Redmond Road • Williston, VT 05495-7729
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March 9, 2018

RE: Recycling Tip Fee Increase at the MRF

Dear Haulers and Recyclers:

CSWD will be raising the tip fee at the District's Material Recovery Facility (MRF) starting April 2, 2018. The new tip fee structure, to be paid by the hauler, will be \$25.00/ton for in-District materials and \$50.00/ton for out-of-District materials. The increase is due to a global market upset on recyclables caused by China's National Sword Program. CSWD as well as other MRF owners in the region must raise our tipping fee to cover the loss from commodity sales and still remain economically viable. China announced the National Sword Program at the start of 2017 (effective January 2018) to address among other things, the import of municipal solid waste received under the guise of recycled goods. The National Sword Program policies have effectively banned the import of recyclables into China which until now was the largest global consumer of recyclables.

The bulk of District commodities are brokered domestically (North America) with the exception of mixed paper which was marketed to China. Mixed paper makes up approximately 40% of the material marketed and sold out of the District's MRF. As a result of China's National Sword, the domestic markets have been flooded and the price for mixed paper has dropped to an unprecedented low over the last two months. We anticipate that the price of mixed paper will remain low for a considerable period of time.

The out-of-district tip fee of \$50 has been set more closely to other tip fees in the region. Southern Vermont has increased to \$65.00/ton, EcoMaine has increased to \$95.00/ton and average pricing for MA and NY is approximately \$55.00/ton. CSWD has increased the tip fee for in-district materials more modestly from \$21 to \$25 to minimize the impact on our member businesses and residents. There is great uncertainty as to how low the mixed paper market will go and for how long the prices will be down. CSWD is committed to stabilizing the tip fee for as long as possible during these turbulent markets, but we cannot guarantee that this fee will not change again. We want to assure you that we are trying to gauge the future prices and set our rates at a level that will remain stable as long as possible. Thank you for your understanding in this matter.

Sincerely,

A handwritten signature in black ink that reads "Sarah Reeves". The signature is written in a cursive, flowing style.

Sarah Reeves
Executive Director