



DRAFT

March 12, 2013

Bryn Oakleaf, Environmental Analyst IV  
State of VT DEC/WMPD  
1 National Life Drive, Davis 1  
Montpelier, VT 06520-3704

Re: Comments regarding RVM cost estimates as stated in DSM *"Draft Report Comparison of System Costs and Materials Recovery Rates: Expanded Bottle Bill Versus Universal Access to Single Stream Recycling"* and the Vermont Bottle Bill.

Dear Ms. Oakleaf,

My name is Michael Wellman, President - Container Collection Services for Environmental Products Corporation ("Envipco"). Envipco's Vermont operation provides Reverse Vending Machine (RVM) deposit services to 23 retail locations and 43 distributors throughout the State. Envipco is committed to recycling deposit containers through high tech solutions, while providing good paying high skilled jobs, and facilitating a better cleaner Vermont for our children.

On behalf of Envipco and its Vermont employees, I submit the following comments regarding the above referenced DSM draft report and the Bottle Bill in general.

The DSM Draft Report states an RVM cost of \$0.05 per unit for calculation purposes in *Table 9* (pg. 22). In our opinion, this rate is misleadingly high. In the Envipco RVM program, the most common fee arrangement is the "Fixed/Variable Lease" whereby the retailer pays a flat rate per RVM along with a per unit throughput fee. In Vermont the Envipco RVM cost to retailers<sup>1</sup> under the fixed/variable lease arrangement ranges from:

**\$0.019 - \$0.033 per unit**

Further, it is important to note that the current Envipco RVM fleet in Vermont has the capacity to absorb expanded bottle bill units with minimal additional machines.

Envipco RVM Capacity:

- Designed capacity of RVM: 50,000 – 75,000 containers per RVM per month
- Average Vermont RVM usage: less than 20,000 containers per RVM per month

**Vermont RVM capacity utilization is less than 40%**

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<sup>1</sup> RVM cost to retailers includes lease fees, bag supplies, and maintenance. Cost excludes offsetting handling fee revenues and store labor allocations (incremental cost to empty machines performed by existing staff). Also excluded from the average cost are flat rate low volume retailers who have chosen RVM as solely an accounting control convenience (similar to a cash register) rather than a cost saving productivity tool.

In closing, I offer the following comments relative to the Vermont Bottle Bill in general:

- The Bottle Bill reduces government expenditures related to litter control
- Helps community groups such as churches, school bands, and youth sports
  - Bottle drive donations are important sources of charity dollars
- Improves public safety
  - Decreases glass-related sutured laceration injuries in children <sup>2</sup>
- Protects farmers
  - Container litter kills livestock and contaminates crop harvest <sup>3</sup>
- Supports local Independence Day celebrations
  - 4<sup>th</sup> of July fireworks widely subsidized by bottle deposit donations
- Supports volunteer fire departments
  - Bottle drives widely used to fund equipment purchases and operations

We ask that the arguably misleading findings of the DSM Draft report not be used as a justification for repealing the highly successful Vermont Bottle Bill.

A repeal of the Bottle Bill not only puts Envipco - Vermont out of business, but hurts the local community as well.

Thank you for your time and consideration.

Sincerely,  
Environmental Products Corporation

Michael Wellman  
President - Container Collection Services

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<sup>2</sup> Laceration injuries at Children's Hospital, Boston dropped 60% following enactment of the Bottle Bill. Baker MD, Moore SE, and Wise PH. *The Impact of 'Bottle Bill' Legislation on the Incidence of Lacerations in Childhood,* American Journal of Public Health, 76, 10 (1986) 1243-1244.

<sup>3</sup> "In our heavily agricultural state, beverage containers tossed from car windows onto farmers' fields present special problems. Dairy cows suffer lacerated organs – and – die after chewing on cans. Plastic containers are ground up in harvesters, contaminating hay, feed and vegetable crops, causing millions of dollars in damage." - Larry Breech, President, PA Farmers Union. Breech, Larry. "U.S. Bottle Bill Deserves Support." Philadelphia Inquirer 21 Oct. 2002.