

Testimony  
Vermont General Assembly  
House Committee on Natural Resources, Fish & Wildlife  
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February 11, 2021

H 175 An Act related to Expanding the Bottle Bill

Thank you for the opportunity to provide testimony on House Bill 175.

For the record, my name is Kim Crosby, I am an Environmental Compliance Manager with Casella Waste Systems. I served on the Single Use Product Working Group, last fall I participated in several discussions with the Vermont Product Stewardship Council developing model legislation for an extended producer responsibility program on packaging and printed materials which highly resembles the language in H 142 as introduced by Representative Sheldon and I also have attended a few of the bottle bill stakeholder meetings so I am aware of some of the issues that exist with the current bottle bill system.

I'd like to focus my testimony solely on how an expansion of the bottle bill would affect Casella's recycling facility in Rutland because we own and operate that facility.

Standard Bottle Bills and proposed expanded bottle bills apply primarily to beverages contained in PET bottles, aluminum cans, and glass bottles. We view these programs as redundant to Vermont's existing recycling infrastructure that includes convenient drop-off and curbside recycling programs. We also view bottle bills as antiquated legacy systems that were originally designed to control litter and promote recycling at a time when recycling programs were less common or not mandatory. Standard bottle bills and proposed expanded bottle bills are a drain on recycling facilities in that they skim off a sizable portion of the most valuable recycling streams – mainly the PET and aluminum. These valuable materials help off-set or subsidize the processing costs for the lower value materials such as mixed paper, plastics 3 through 7 and glass. The valuable material is a significant foundation of the economic investments that were made, particularly when the State passed the Universal Recycling Law in 2012. Casella made significant investments into converting the Rutland Recycling Facility to process single stream recycling. Part of the Universal Recycling Law required haulers provide curbside recycling

services to their customers and the best and most convenient way for haulers to provide that service at the curb, is the all in one bin option which is also more convenient for our customers. Convenience was deemed as one of the most important factors in encouraging Vermonters to recycle more and throw away less.

Vermont's recycling system has already been stressed by China's National Sword Policy that was implemented in 2018 – China was the largest global market for mixed paper and the impact of China's policy resulted in a 90% drop in market value for mixed paper. 60% of the materials we receive at the recycling facility is mixed paper, 20% of what we receive is glass and the remaining 20% is a mix of plastics, aluminum, and cardboard. This means, 80% of the recycling stream that we receive has little to no value. Therefore, losing more of the PET and Aluminum to the bottle bill would cause an increase in recycling fees because we would have to raise the fee at the recycling facility to make up for the commodity revenue that we would be losing to the bottle bill.

Last week the Committee heard testimony about glass, so I'd like to explain how we are managing glass at our facility. In Rutland, we process approximately 5 to 7,000 tons of glass a year. Prior to February of 2018, we were sending our glass from Rutland to a beneficiation facility called Strategic Materials located in Franklin Massachusetts. From there, the glass was sent to Ardagh located in Milford Massachusetts which was a bottle to bottle facility. In February of 2018 Ardagh made the decision to close their facility citing continued decline in demand for glass as beer manufacturers were moving towards putting their product in cans. The closure of Ardagh caused Strategic to shut down their facility. Knowing that Strategic Materials has another beneficiation facility in North Carolina and with the location of the rail system adjacent to our facility in Rutland, we invested an additional \$500,000 to install equipment to clean and improve the quality of our glass so we could make the glass more marketable to the facility in North Carolina. At the Strategic facility in North Carolina, glass is processed and sold to markets that make glass bottles, fiberglass insulation, use it as a replacement for sand in sand blast grit and for use in reflective highway paint.

Taking into consideration that it would be more sustainable and more cost effective to have a local market for glass, we have had several meetings with VTRANS regarding the use of processed glass aggregate (PGA for short) in State Projects – PGA can be used as a subbase for state road construction projects as well as many other construction applications at the municipal level such as sidewalks and bike paths.

When we met with VTRANS, we learned that Vermont is experiencing a sand shortage, and that we are currently importing sand into the State and there are no new sand pits being developed to meet the existing and future needs for sand. VTRANS explained to us that using PGA would be an environmental benefit towards reducing their carbon footprint from mining and importing sand.

VTRANS has made some significant progress in recent months towards using PGA by making revisions to their General Special Provisions and I would highly recommend asking VTRANS to testify before this Committee on how they can use PGA, the changes and progress that they have made in this direction as they can speak to that better than I can.

Some might refer or consider the use of PGA in road construction projects as “down-cycling”, we prefer to view this as reuse. Reuse is a component of the chasing arrow symbol that is often overlooked. While we do not currently make processed glass aggregate at our facility, with the progress that VTRANS has made towards using PGA, and if they can find a way to incentivize contractors to use this material we may strongly consider producing PGA in Rutland. With that said, we would not want to make the investment into installing the equipment only to have some of the glass taken out of the single stream system and placed into the bottle bill, especially after hearing from VTRANS that they could use all that we can process.

In summary, we strongly oppose and do not support proposing to modernize the bottle bill by placing additional containers into the deposit system. We DO support and would encourage the State to consider a more holistic approach in developing a program to address many of the existing issues with the current state of recycling such as the extended producer responsibility model proposed in H 142. H 142 encompasses the entire list of mandated recyclables as opposed to just the fraction of the material targeted by the bottle bill. While there is still a lot of work to do to figure out how some of the nuances of that model would work, there are many elements within H 142 that have the potential to improve recycling by funding new infrastructure and encouraging design for recycling and reuse, and proposes to reduce the cost of recycling for Vermonters while keeping the investments made by the public and private sectors intact.

We would also be interested in seeing an updated study on the bottle bill system as proposed in H 14. The study that was done in 2013 showed that the bottle bill cost 8 million dollars to operate, around 11 or 12 million to operate if it was expanded, the study stated that we had the highest handling fees compared to other States with bottle bills, and it also showed an increase in administrative costs for the Agency to

administer the bottle bill – a lot has changed in the system since 2013, many new products have been introduced since then and so I would think it would be beneficial to get current data.