



ADMINISTRATIVE OFFICE
1021 Redmond Road
Williston, VT 05495

EMAIL info@cswd.net
TEL (802) 872-8100

www.cswd.net

Vermont Senate Natural resources Committee
Jen Holliday, Director of Public Policy and Communications, Chittenden Solid Waste District (CSWD)
H.175
March 29, 2022

Chairman Bray and Committee Members,

Thank you for considering these comments regarding H.175, An act relating to the beverage container redemption system. I would be happy to speak to the committee or respond in writing if you have any questions.

Background

CSWD is a Municipality created in 1987 by our member Towns and Cities to implement solid waste mandates legislated by the State of Vermont on their behalf. CSWD is the largest solid waste district in Vermont, serving all 18 Towns and Cities within Chittenden County. Our members include roughly 168,000 residents (25% of the State's population), nearly 7,400 businesses, several large institutions, and tens of thousands of seasonal visitors and tourists. Our Mission is to reduce and manage the solid waste generated within Chittenden County in an environmentally sound, efficient, effective, and economical manner.

CSWD facilities include the State's largest compost operation, a household hazardous waste facility, six Drop-Off Centers located around the county and the only publicly owned Materials Recycling Facility (MRF) in Vermont. These facilities serve communities that reach far beyond District boundaries.

CSWD's Current MRF and Future MRF

CSWD built the first MRF in Vermont in 1993, the same year CSWD passed a mandatory recycling ordinance. The MRF was built to ensure that Chittenden County residents and businesses would have an efficient and cost-effective local outlet to accept their recyclables. This facility still operates today, processing materials generated beyond Chittenden County which accounts for more than 50% of the blue bin recyclables in the state. This 30-year-old facility is almost completely manual, hand-sorting containers and has reached its capacity for growth. This month, CSWD's Board of Commissioners unanimously voted to approve a \$22,000,000 bond vote for the construction of a new MRF.

The new MRF will incorporate green building construction and will be equipped with modern technology to separate recyclables more efficiently and effectively and produce higher quality and higher value commodities. It will also enable us to consider more types of packaging for recycling, saving natural resources and limited landfill space. The new MRF will be built with enough capacity and flexibility to adapt to changes in volume and types of recyclables for the next 30 years. This municipally owned MRF will continue to provide

assurance that the public will be served without profit as a motive, keeping rates as low as possible and providing opportunities to divert more types of materials even when it is not profitable.

CSWD MRF Data

In FY21, we processed approximately 49,000 tons of material at our MRF. The majority of what is processed is fiber (paper and cardboard) accounting for 70.6% of the total tons. Glass is the next largest category by weight at 14.1%, followed by plastic (5.5%), steel (2.2%), and aluminum (.6%) (see page 5 for details).

Non-recyclable material that comes into the MRF that is trash accounted for 6.9% of the material in FY21. This is extremely low compared to the national data that shows that the average contamination rate for single-stream MRFs is between 17% and 25% depending on the source. We attribute this low contamination rate to our outreach and education programs and because Vermonters care about recycling. The majority of this contamination which is landfilled is not recyclables. It is material that never should have been placed in the recycling system such as clothing, food, film plastics and other non-recyclable material.

Page 6 shows the revenue received in FY21 at CSWD's MRF by material. Cardboard accounted for the highest amount of revenue received in commodity sales followed by natural high-density polyethylene (HDPE) such as milk jugs. Aluminum accounted for the third highest commodity sales revenue.

All materials processed at CSWD's MRF are currently marketed domestically. The commodities that make up bottle bill and expanded bottle bill materials that our MRF also handles are primarily glass, aluminum, and Polyethylene terephthalate (PET). Aluminum and PET have strong markets and bring in revenue. Glass is a difficult material and a net cost to manage. We have invested over half a million dollars in a glass processing equipment to create a processed glass aggregate to be used locally. We test our glass regularly for contamination to make sure it meets the specifications that the State requires to be used in PGA-approved applications. Whitcomb's Quarry in Colchester is our primary outlet for this material to use as aggregate for subbase material in engineering projects. We are working with ANR, VTRANS and UVM on refining specifications for PGA to be used more widely as sand borrow, a rapidly diminishing natural resource. Using MRF glass as PGA is a widely accepted industry practice and there are transportation-related environmental benefits to keeping this material local. During a portion of the winter months, when it is difficult to process the glass to meet the specifications required, we send our glass to Patriot Recycling in Massachusetts where it is processed and used as an aggregate in projects or recycled into products such as fiberglass insulation.

Bottle Bill Expansion Financial Impact

It is extremely difficult to determine exactly what financial impact the current proposal for expansion of the Vermont bottle bill will have on CSWD's MRF. Variables include: the rate of redemption by consumers, fluctuations in commodity value, future processing costs, and estimations of how much material we currently receive at our MRF that are proposed in the expansion of the bottle bill. Based on MRF material bale sorts performed by CSWD and the [Systems Analysis of the Impact of Act 148 on Solid Waste Management in Vermont](#) we estimate that the MRF will lose approximately 3,900 tons (8% of material that we currently process annually) if the bottle bill is expanded as proposed in H.175. The net revenue loss from commodity sales including the cost avoidance of glass is estimated between \$150,000 - \$350,000 annually using today's market rates. The revenue loss would be made up by increasing the tip fee, the fee charged to haulers for recyclables at the CSWD MRF.

The current tip fee is \$80/ton. The estimated increase in the tip fee to cover the loss of revenue would be \$3-\$8/ton which would be passed on to the consumer.

Extended Producer Responsibility

Vermont's bottle bill is a form of EPR however it is not structured like our other highly successful EPR programs. The bottle bill lacks performance standards, reporting requirements and environmental standards that are typically found in EPR laws. The bottle bill also lacks a producer responsibility organization (PRO) that represents the manufactures to coordinate and manage the entire collection system. The law is outdated in this respect.

Most EPR laws require the PRO to submit a Plan that ANR must approve through a public process that describes how they will collect and manage their products. The statute includes provisions that require the program Plan to cover costs, meet certain environmental requirements, meet convenience standards and to be effective. This type of EPR model creates a system that is efficient, transparent and provides accountability and oversight. We encourage the committee to seriously consider the proposal that Bree Dietly (representing the Beverage Association of Vermont and American Beverage) provided to the committee on March 18th. If the law is written to include provisions that require the system to be as convenient and effective as the bottle bill is today, we believe that this proposal would truly modernize Vermont's bottle bill by providing a system-wide comprehensive stewardship program and addressing the sorting issue.

EPR for Packaging and Paper

The bottle bill has a redemption rate of 75% in Vermont. According to the [State of Vermont 2018 Waste Composition Study](#), Vermonters recycle 72% of all of the mandatory recyclables subject to the Universal Recycling law. These policies have helped us achieve high recycling rates for beverage containers and mandatory recyclables and demonstrate that recycling is not "broken" in Vermont. However, these policies do not address the non-recyclable paper and packaging that is generated every year and filling up the landfill in Vermont. They do not address other environmental considerations such as greenhouse gas emissions from production to end of life management of this material. It's time to move to an approach that will address the environmental impacts of all packaging and printed paper not just recyclable material and provide financial stability to the recycling system. Extended Producer Responsibility for packaging and printed paper will do this.

CSWD has been part of a stakeholder group that has been working for the past two years on a vision for EPR for packaging and printed paper in Vermont. These stakeholders that include the Product Stewardship Institute, the Vermont Solid Waste Districts and Alliances, Casella, Novolex, the Flexible Packaging Association, Ameripen and ANR have agreed on most of the elements of an EPR law in Vermont that are incorporated in S.236. This bill would

- provide financial stability to the recycling system in Vermont.
- provide incentives through eco-modulated fees for the producers to use less packaging and to design packaging and printed paper that is recyclable and to incorporate recycled content.
- have producers investing in market research and development for packaging materials that are currently difficult or can't be recycled.
- provide funding from the producers for litter cleanup in Vermont.
- require producers to provide education to the public on how to properly recycle their materials including special collection and recycling programs that are outside the traditional blue bin recyclables.
- require producers to invest in the recycling infrastructure so that more of their material can be recycled.

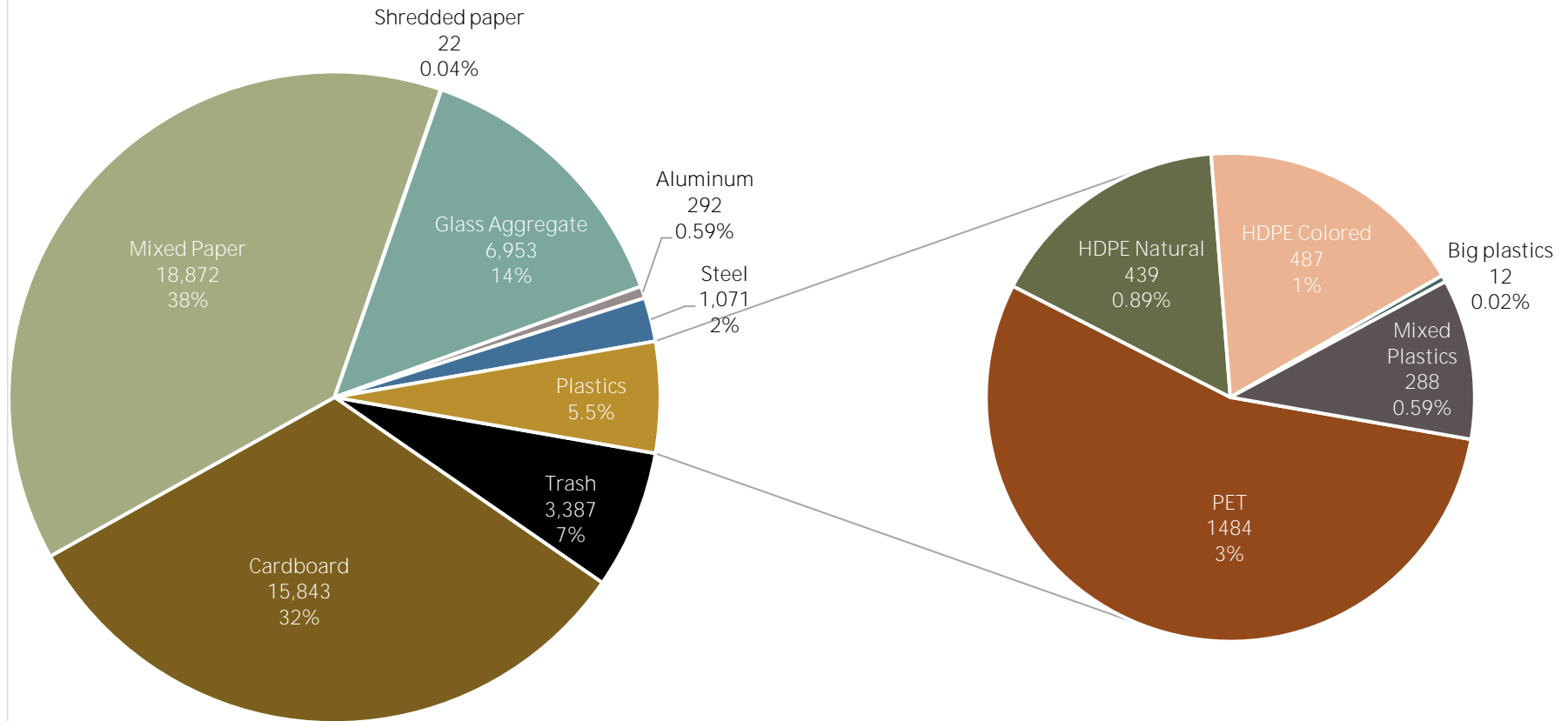
Maine and Oregon have passed similar legislation and other states including New York, Maine, Maryland, and Washington State have introduced EPR bills for packaging and printed paper. This is the best policy tool to tackle the tsunami of problematic paper and packaging that is entering our waste stream every day.

We appreciate your dedication and work towards addressing solid waste issues and protecting natural resources and urge the committee continue these efforts by working on EPR for all packaging and printed paper.

.

Ton of Materials Processed and Sold at the CSWD MRF

July 2020-June 2021



Total tons processed: 49,150

CSWD's MRF Materials Revenue

July 2020-June 2021

