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House Environment & Energy

February 14, 2023

H. 158 An Act related to Expanding the Bottle Bill

Thank you for the opportunity to provide testimony on H. 158. For the record, my name is Kim Crosby, I am the Director of Environmental Compliance for Casella Waste Systems. 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 for several reasons. The bill will increase the cost of recycling to consumers, it will do little to help Vermont's ability to achieve its statewide recycling goals and it jeopardizes existing and future investments into Vermont's recycling infrastructure. The bill will also likely increase carbon emissions.

### **Recycling Facilities & Markets**

Casella operates the recycling facility in Williston through a contract with 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.

*Anyone stating that it is "impossible" to make bottles out of PET collected in single stream is completely inaccurate.* The other half was sent to processors that make products like vinyl flooring, countertops, carpets, and other materials that can be used in new construction or renovation of homes.

We sent 231 tons of aluminum cans to be made into new aluminum cans. This is the same markets that the Bottle Bill Systems uses for aluminum cans. Whether the material that we process is made into bottles 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.

It is important to remember that recycling is not just about saving landfill space, it is about conserving our natural resources.



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## **Glass**

In 2022, we transported approximately 4,975 tons of glass to Strategic Materials located in North Carolina to be made into glass bottles and fiberglass insulation. These are the same markets that the bottle bill is using for glass.

We are fortunate that the Rutland Recycling Facility is located next to the Vermont Rail System which allows us to economically transport the glass to Strategic – we send one rail car per week and each rail car carries about 100 tons of glass. Even though it may be economical to send our glass by rail, we have supported developing local solutions for glass and continue to support the work that both VTRANS and the Agency has done to make this happen.

Last year, we worked with Senator Perchlik on the Senate Transportation Committee to add the use of recycled glass in construction projects in the Transportation bill. 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.

In 2020 the company Urban Mining located in Connecticut began operating the first of its kind waste glass processing facility turning recycled glass into a ground-glass pozzolan called Pozzotive, that creates stronger and longer lasting concrete while reducing carbon dioxide emissions generated from the production of cement on an almost ton for ton basis. It was reported by research conducted by the Oregon Department of Environmental Quality that the use of recycled glass into concrete is five times more impactful from a climate perspective than going back to bottles or fiberglass. We have begun taking some of our glass from our recycling facility in CT to Urban Mining.

We were hoping to have a local option for glass with the opening of Glavel in Essex, which is a facility that takes recycled glass and makes a foam glass aggregate however, it was reported last week that the facility is only using bottle bill glass from Canada to make their product at this time. We certainly hope that Glavel will start accepting glass from Vermont's recycling facilities in the near future.

## **Single Stream Recycling & the Universal Recycling Law**

The inception of single stream recycling began in Chittenden County in the early 90's. With the anticipation of the passage of the Universal Recycling Law, in 2011 Casella converted our facility in Rutland to process single stream. 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.



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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 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.

Solid waste haulers, solid waste management entities, and the Agency do their best to educate Vermonters on how to recycle. Everyone should help by communicating to their customers and constituents the importance of how to recycle better and that recycling works.

I heard testimony last week where it was stated that single stream is the “demise” of recycling – this is the wrong message to send Vermonters, undermines the hard work that recycling facilities, haulers, and solid waste management entities have done to implement the Universal Recycling Law. Single stream collection is the most efficient and convenient way to recycle in Vermont. Finding ways to expand its availability and affordability throughout the state is an important strategy in achieving the state’s recycling goals.

### **Investments Made**

Many investments were made on behalf of the public and the private sector, to implement the Universal Recycling Law to help Vermont achieve its recycling and diversion goals. While the public sector was eligible for financial assistance through the Solid Waste Management Fund to assist with the implementation of the Law, the private sector was not.

Regardless, Casella made the following investments into implementing the Law and to bolster Vermont’s recycling infrastructure:

In 2011, Casella invested approximately \$3.7 million dollars to convert the recycling facility in Rutland to single stream. When the recycling mandate went into effect, many haulers invested in additional trucks and containers to collect recycling.

In 2018, we invested an additional \$1.3 million into technology to improve the quality of our paper and glass streams.



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In 2021, Casella invested approximately \$4 million into a depackaging facility in Williston Vermont. This facility was built to separate organic materials from packaging. In 2022, we recycled 1,693 tons of packaging that was previously being disposed of prior to the construction of this facility.

In the fall of 2022, we invested \$1.4 million into our Rutland facility for the installation of robotics to improve sortation, capture more recyclable material and compensate for the lack of available labor.

### **{Show Casella video on Robotics}**

<https://vimeo.com/798503659/bc1baacea7>

In December of 2022, we invested and successfully secured grant funding through the Vermont Department of Environmental Conservation's Volkswagen Environmental Mitigation Trust for the purchase of an electric refuse 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.

### **Bottle Bill Impacts to Existing Recycling Programs**

Standard bottle bills and proposed expanded bottle bills threaten the economic viability of recycling facilities because they skim off the most valuable recycling streams – mainly the PET and the aluminum.

The Agency has testified that the data shows that these materials are either being recycled in one system or the other. While PET and Al represent a small portion of the material that we process in comparison to the total amount of material we receive, their value helps off-set the processing costs for the lower value materials such as mixed paper.

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. We determined that the cost of recycling could increase by approximately 7% or more depending upon the state of the commodities markets. This would be a significant impact to entities that generate several tons of recycling like municipalities – If a Town has a drop-off center or transfer station, the Town will often contract with a waste management company to manage it, the waste management



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company will pass any increase in costs on to the Town. Other entities that will be impacted include schools, colleges, hospitals, solid waste haulers, restaurants, businesses, and residents – all of whom are required to recycle by law and many of which are already suffering financially from inflation.

Making recycling more expensive and in some cases more expensive than the cost of disposal does nothing to encourage people to recycle more or better. We are aware that the Agency and some Legislators are already hearing complaints about the cost of recycling.

### **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 – that’s next year. The State’s current diversion rate is hovering around 34%.

Prior testimony from DSM who prepared 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. 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.

According to the Agency’s 2021 Diversion Report, single-use products and non-recyclable packaging make up 30% of the waste stream disposed of in Vermont. Instead of focusing on trying to capture a small percentage of material we should be turning our focus to address the 30% of the material that is currently not recyclable and is impacting our recycling systems, consuming capacity at landfills, contaminating our oceans and washing up on our beaches.

Encouraging Legislation that will require manufacturers to use recycled content to produce their products increases the demand for recycled materials and helps to eliminate the volatility of the commodities markets that often drive up the cost of recycling. In addition to recycled content, requiring manufacturers to package their products in packaging that can be recycled versus packaging that cannot, is a way to reduce the amount of non-recyclable packaging. In addition to reducing the amount of non-recyclable packaging, more work needs to be done to eliminate PFAS in food packaging and other products at both Federal and State levels on an aggressive timeline and to the greatest extent possible.



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## **{Reference Casella/Terracycle Pilot Project}**

### **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 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 Committee to support Vermont's recycling infrastructure by not supporting H.158. Instead, we should be working together to focus on ways to address materials that are not recyclable instead of focusing on materials that already are. Advocacy groups, solid waste management entities, solid waste management companies and manufacturers, should be coming together to work on solutions to address these larger issues and not spend time trying to convince everyone that one system is better than the other.

As always, we would like to invite the Committee to take a tour of our recycling facility to gain a full understanding of the work that is done to separate, sort and process Vermonter's recycling.

Thank you for the opportunity to testify before you today and I am happy to answer any questions.