




Best practices in container deposit refund systems

—
Regarding DR 25-19001

House Committee on the Environment

Mike Noel
Public Affairs Director
TOMRA



TOMRA's mission is to
create a world without
waste by transforming
how the world uses
and reuses resources.



Recycling
Refunds
tech +
services

Advanced
sorting for
'curbside'
recycling

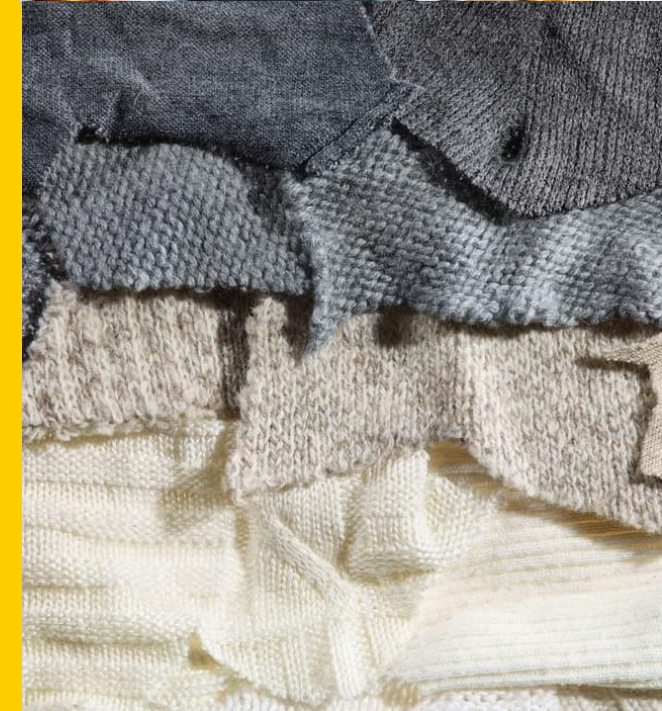


We focus on four
innovation areas



REUSE
systems
provider

Textile
recycling



TOMRA has five decades of experience in deposit refund systems

ACTIVE IN EVERY MAJOR GLOBAL DEPOSIT MARKET



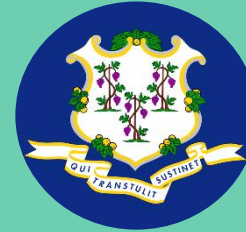
VERMONT



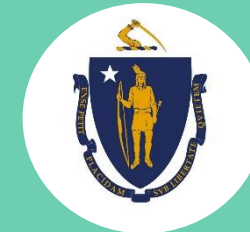
NEW YORK



MAINE



CONNECTICUT



MASSACHUSETTS



CALIFORNIA



QUEBEC



OREGON



NORWAY



GERMANY



IRELAND



AUSTRALIA

+ 28 more markets

In Vermont, we are active in every link of the deposit value chain



RVM
Technology



Service
Support



Data Admin/
Clearing



Material
Pick-Up



Material
Processing



Material
Brokerage

Comments on DR 25-19001

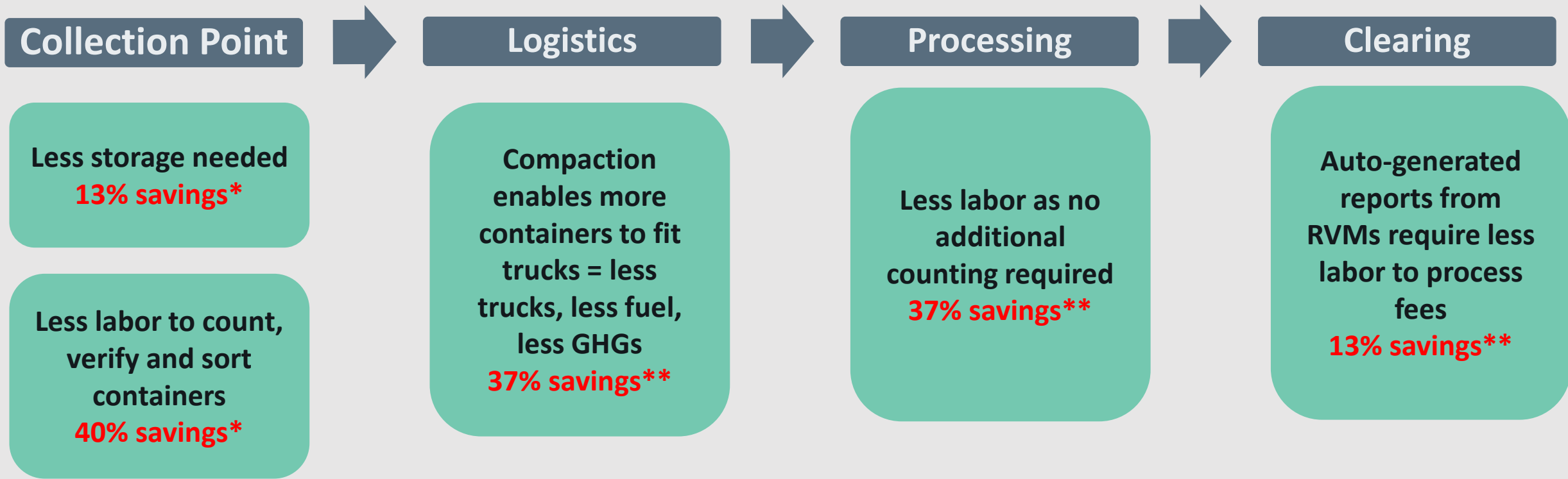


We agree that embracing compacting RVM technology would bring enormous savings to Vermont's deposit system

Costs are significantly less in an automated system due to compaction and efficiencies

➤ *PET* – compaction ratio of **2:1**; *Aluminum* – compaction ratio **4:1**

Learnings from a TOMRA New York deposit system analysis



*estimated comparing a manual vs automated redemption center in NY each processing an average of 5 million units/year

**estimated comparing average costs for manual vs automated containers in NY state

We kindly request the focus of the bill remain on convenience and maintaining high recycling rates and not destroying our business



Over several decades we have established contracts with hundreds of beverage companies across VT to help ensure they are:

- a) registered in the system** so the public, redemption centers and retailers can get repaid their deposit and beverage companies are paying their fair share of handling fees
- b) Picking up their containers** from retailers and redemption centers
- c) Making sure all redeemed containers are recycled** and that they receive a high price for their scrap value since we sell material in bulk (or allow beverage companies to utilize their own recycled material).

Maine included these considerations when transitioning to a centrally-managed PRO deposit system model.

Beverage manufacturers should retain the right to select their own pick-up provider



The pickup system can be both efficient and still provide manufacturers the right to choose their own pick-up provider

Recommended edits:

The [PRO] plan shall describe how

- a) materials will be picked up from redemption centers on a timely basis
- b) how distributors and manufacturers will maintain the right to choose their own pick-up provider, and
- c) how pick-up schedules will be designed to reduce transportation distances and minimize costs.

(Similar to [Maine 3107 3-B, B, 7](#))

Beverage
manufacturers should
retain the right to their
own recycled material



- **Beverage companies want to use more recycled material or many use it to offset their pickup costs.**
- **The PRO should not take that option away.**

Recommended edits:

The plan shall describe how the PRO will ensure that each manufacturer or distributor maintains ownership over the manufacturer or distributor's share of the beverage containers redeemed.

(Similar to [Maine Section 31017 3B, b, 9](#))

The 'convenience standard' should provide a certain level of service to the public – and can be used to ensure Vermonters have access to innovations

For any location to count towards the convenience standard they should be required to be:

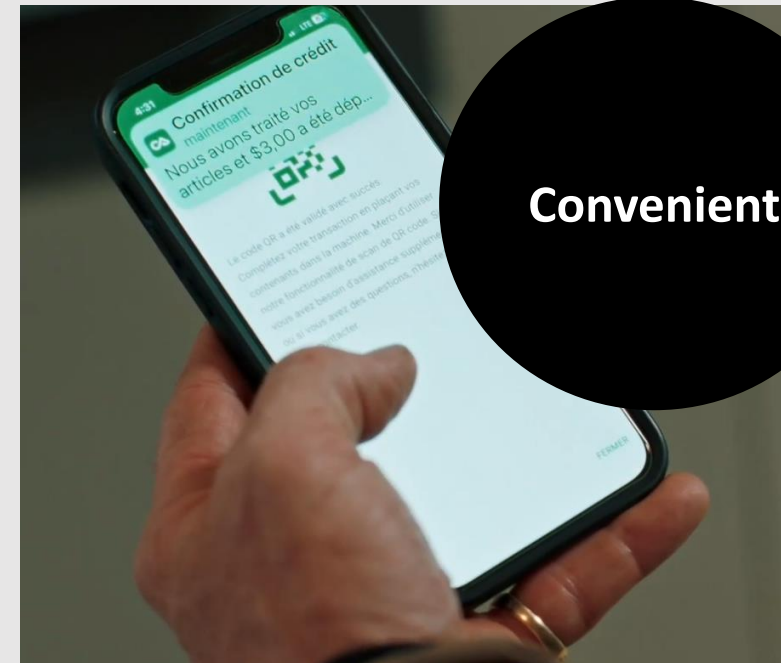


Accessible

- Accept all deposit containers
- Open 40hrs a week
- Offers redemption opportunity when full
- Allow unlimited valid returns

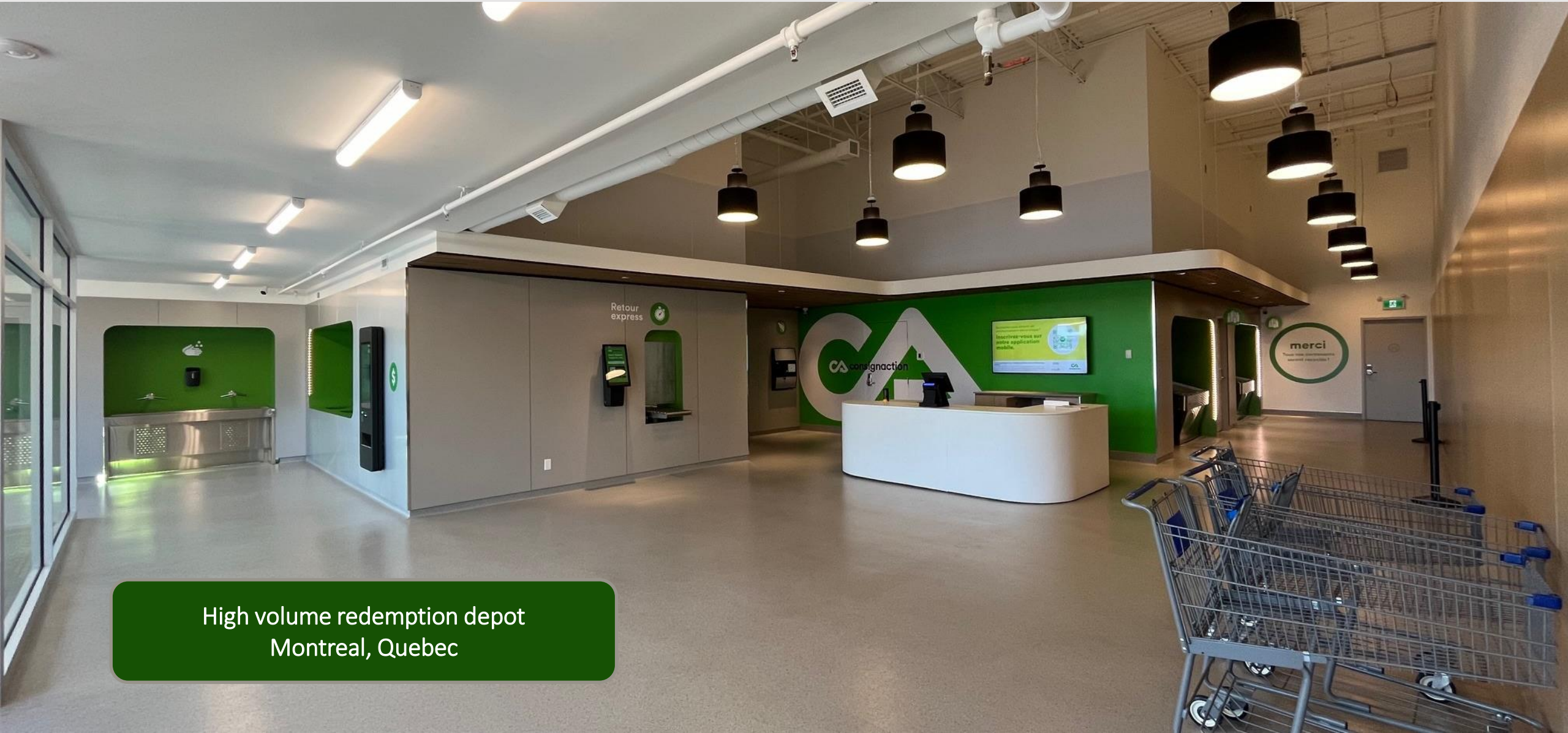


- Must have a dock or enough space for a truck pickup
- Traffic analysis must be done in order to ensure the location is safe for truck pickups



- Offers immediate payment
- Offers a digital payment option
- Offers digital charity donation options

A 90% redemption rate target aligns a PRO's investment decisions



High volume redemption depot
Montreal, Quebec

Make sure consumers continue to know what is and is not eligible for a deposit



The state has a fiduciary responsibility to make sure the public can easily get their deposit back – and making sure they are aware of what has a deposit is a part of that.

Watering down the labeling requirement now will only create a reason not to increase the deposit in the future.

The bill allows containers to say “VT RV” alone instead of “VT 10 cents”. VT Refund Value or VT Return for Refund would be helpful. VT RV is confusing.

Enforcement \$ for DEC
will help all parties –
including addressing
cross-border redemption

High-performing deposit refund systems reinvest the unredeemed deposit revenue

Principles shared by high-performing deposit programs

PERFORMANCE



Financial incentives and penalties exist to **ensure containers are effectively recycled and not 'downcycled'** or wasted.

CIRCULARITY



Frame conditions set in statute ensure performance including targets for collection, recycled content and a minimum number of redemption points, plus a **meaningful deposit and broad scope**.

CONVENIENCE



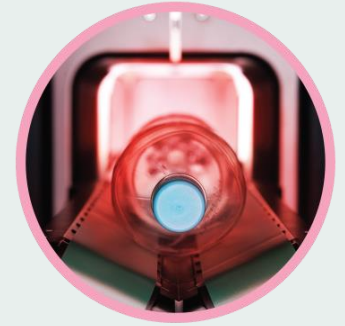
The redemption system is **easy, accessible and fair** for everyone.

PRODUCER RESPONSIBILITY




Producers finance and manage infrastructure and operations within the frame conditions set by Government; **with use of unredeemed deposits** and commodity revenues.

SYSTEM INTEGRITY



Trust and transparency are built into the system's processes. Enabled by product registration, data-management, a clearinghouse, and redemption specifications.



I feel proud to live in a place
that prioritizes the environment.

Thank you



Mike Noel, Public Affairs Director

Michael.Noel@TOMRA.com

TOMRA.com