

Written Comments Received by CalRecycle on Carpet America Recovery Effort's (CARE) Chapter 0 Report

This document contains the following stakeholder comments on CARE's Chapter 0 Report.

Commenter(s)	Representing	Comment
California Carpet Stewardship Advisory Committee	California Carpet Stewardship Advisory Committee	Letter: September 25, 2019
Heidi Sanborn & Doug Kobold	National Stewardship Action Council & California Product Stewardship Council	Letter: September 25, 2019
Tim Goncharoff	Santa Cruz County	Email: September 25, 2019
Gail Brice	XT Green	Letter: September 25, 2019

CalRecycle requested that stakeholder comments on the CARE's Chapter 0 Report be sent to carpet@calrecycle.ca.gov through September 25, 2019.



September 25, 2019

To: Scott Smithline, Director CalRecycle
cc: Bob Peoples, CARE Executive Director

From: California Carpet Stewardship Advisory Committee (members listed below)

Re: Advisory Committee Comments regarding CARE's Chapter 0 Report

The California Carpet Stewardship Advisory Committee ("Advisory Committee") has reviewed CARE's *Chapter 0 Report* dated September 1, 2019 which addresses CalRecycle's conditions for approval of its Revised California Carpet Stewardship Plan 2018-2022. This review is outside the statutory requirements of the Product Stewardship for Carpets Law (Public Resources Code Section 42970 - 42983), therefore the recommendations provided in this document by the Advisory Committee are stakeholder comments and do not require an official response by CARE.

California Carpet Stewardship Advisory Committee Members

The Product Stewardship for Carpets Law (Public Resources Code Section 42970 - 42983), requires CalRecycle to appoint an Advisory Committee to provide recommendations to a carpet manufacturer or stewardship organization and to the department on carpet stewardship plans, plan amendments, and annual reports. An additional appointee to the Advisory Committee is also made by both the Senate Committee on Rules and the Speaker of the Assembly.

The Director of CalRecycle appointed the members to the California Carpet Stewardship Advisory Committee according to the general stakeholder categories recommended in the statute. The committee member from the Senate Committee on Rules and the Speaker of the Assembly have also been appointed.

The California Carpet Stewardship Advisory Committee members, along with their organizations and stakeholder representation are listed below.

California Carpet Stewardship Advisory Committee Members

Committee Members	Organizations	Representing
DOUGLAS WILLIAMS	Los Angeles Fiber Co./ Reliance Carpet Cushion	Collection and sorting, processing and manufacturing
ERIC NELSON	Interface	Carpet Mills, Collection, processing & recycling
FRANCO ROSSI	Aquafil USA	Processing & recycling of carpet, Manufacturing
GAIL BRICE	XT Green, Inc.	Processing & recycling
HOWARD SAPPER	Carpet Manufacturers Warehouse	Carpet Retailers
JOANNE BRASCH, Ph.D	CA Product Stewardship Council	Environmental Community
JOE YARBROUGH	The Carpet & Rug Institute	Carpet Mills
JOHN DAVIS	Mojave Desert & Mountain Recycling Integrated Waste Mgmt Joint Powers Authority	Local Government
JORGE OROZCO	SCOR Industries	Speaker of Assembly
NAT ISAAC	City of Los Angeles Environment and Sanitation	Local Government
RACHEL PALOPOLI	Planet Recycling	Carpet Collections/Sorting
ROBERT NUNEZ	Californians Against Waste	Environmental Community
STEVE BELONG	Carpet, Linoleum, & Soft Tile Workers Local Union No. 12, District Council 16	Northern CA Floor Covering Finishing Trades Institute Joint Apprenticeship Training Committee
STEVE LANDRETH	ProSpectra Flooring	Senate Committee on Rules
WES NELSON	GreenWaste Carpet Recycling	Carpet Collections/Sorting

Advisory Committee Plan Review Meeting and Recommendations

The California Carpet Stewardship Advisory Committee met through a teleconference on September 20, 2019 to discuss CARE's *Chapter 0 Report* dated September 1, 2019 which addresses CalRecycle's conditions for approval of its Revised California Carpet Stewardship Plan 2018-2022.

Eleven committee members attended the full meeting. Joe Yarbrough attended the meeting but did not vote due to audio problems. Jorge Orozco and Steve Belong were not able to attend. Because the meeting went over the scheduled time, Nat Isaac needed to leave for a previously scheduled meeting and did not vote on all motions. A quorum was met. Members of the public also attended through the teleconference. The meeting was conducted in compliance with the Bagley-Keene Open Meeting Act.

The Advisory Committee recommendations from the September 20, 2019 meeting regarding CARE's *Chapter 0 Report* are provided as Attachment 1. The Committee looks forward to working with CARE and CalRecycle regarding the California Carpet Stewardship Program.

Respectfully,

Rachel Palopoli

Rachel Palopoli, Advisory Committee Chair

September 25, 2019

Date

Attachment 1

California Carpet Stewardship Advisory Committee Recommendations for the CARE Chapter 0 Report

Motion 1.0

The Advisory Committee recommends that:

- a. Prior to using acronyms in any specific section that the meaning of the acronyms be called out.
- b. The distinction between carpet tile and broadloom be addressed in the Collection Cost Model.
- c. CARE make their Communication Policy public, that is referenced on page 0-7.
- d. CARE provide the modeling team report to the Advisory Committee, that is referenced on page 0-8.
- e. The C&D study report be completed in less than 12 months, that is referenced on page 0-12

Motion to Approve: Eric Nelson Second: Franco Rossi

Ayes (12): Doug Williams, Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Joanne Brasch, John Davis, Nat Isaac, Rachel Palopoli, Robert Nunez, Steve Landreth, Wes Nelson

Nays (0):

Abstain (1): Joe Yarbrough

Absent (2): Jorge Orozco, Steve Belong

The motion passes

Motion 2.0

The Advisory Committee recommends that CARE reduce redundancies in the reports and add page references for ease of reading.

Motion to Approve: Franco Rossi Second: Joanne Brasch

Ayes (11): Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Joanne Brasch, John Davis, Nat Isaac, Rachel Palopoli, Robert Nunez, Steve Landreth, Wes Nelson

Nays (1): Doug Williams

Abstain (1): Joe Yarbrough

Absent (2): Jorge Orozco, Steve Belong

The motion passes

Motion 3.0

The Advisory Committee recommends that CARE consider increasing the CSE subsidies in order to meet the recycling goals.

Motion to Approve: Gail Brice Second: Wes Nelson

Ayes (3): Gail Brice, Joanne Brasch, Wes Nelson

Nays (7): Doug Williams, Eric Nelson, Franco Rossi, Howard Sapper, John Davis, Nat Isaac, Steve Landreth

Abstain (3): Joe Yarbrough, Rachel Palopoli, Robert Nunez

Absent (2): Jorge Orozco, Steve Belong

The motion did not pass

Motion 4.0

The Advisory Committee recommends that the regional difference conclusions be reconsidered from the Report until it can be based on statistically valid data, as referenced on page 0-10.

Motion to Approve: Gail Brice Second: Joanne Brasch

Ayes (7): Franco Rossi, Gail Brice, Joanne Brasch, Nat Isaac, Rachel Palopoli, Robert Nunez, Wes Nelson

Nays (4): Doug Williams, Eric Nelson, Howard Sapper, Steve Landreth

Abstain (2): Joe Yarbrough John Davis

Absent (2): Jorge Orozco, Steve Belong

The motion passes

Motion 5.0

The Advisory Committee recommends a timetable for implementation and expected completion dates for the following approaches referenced on pages 0-13 and 0-14:

- a. Develop a proposal and work with mills to ensure that all large volume direct-ship customers (e.g., retailers, flooring contractors, property management companies, etc.), with adequate storage space, have the opportunity for convenient on-site collection of tear-out carpet
- b. Develop a proposal and work with mills to pilot two Distribution Center (DC)/Warehouse locations for their regular retailer/contractor/installer customers to self-haul their tear-out carpet for recycling collection.

The Advisory Committee acknowledges that these are good ideas.

Motion to Approve: Howard Sapper Second: Wes Nelson

Ayes (10): Doug Williams, Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Joanne Brasch, John Davis, Robert Nunez, Steve Landreth, Wes Nelson

Nays (1): Rachel Palopoli

Abstain (1): Joe Yarbrough

Absent (3): Jorge Orozco, Steve Belong, Nat Isaac

The motion passes

Motion 6.0

The Advisory Committee recommends that CARE develop criteria with CalRecycle to determine when the costs associated with a specific drop-site greatly exceeds the benefits and alternatives should be explored.

Motion to Approve: Gail Brice Second: Steve Landreth

Ayes (10): Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Joanne Brasch, John Davis, Rachel Palopoli, Robert Nunez, Steve Landreth, Wes Nelson

Nays (1): Doug Williams

Abstain (1): Joe Yarbrough

Absent (3): Jorge Orozco, Steve Belong, Nat Isaac

The motion passes

Motion 7.0

The Advisory Committee recommends, in view of the inconclusive results from the independent cost analyses, that CARE use their authority, such as the Member-in-good-standing Agreement, to receive all relevant financial data from all subsidy recipients to properly comply with this task, as referenced on page 0-3.

Motion to Approve: Franco Rossi Second: Joanne Brasch

Ayes (11): Doug Williams, Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Joanne Brasch, John Davis, Rachel Palopoli, Robert Nunez, Steve Landreth, Wes Nelson

Nays (0):

Abstain (1): Joe Yarbrough

Absent (3): Jorge Orozco, Steve Belong, Nat Isaac

The motion passes

Motion 8.0

The Advisory Committee recommends that CARE provide price data comparisons for the projected financial model and subsidy justification model.

Motion to Approve: John Davis Second: Howard Sapper

Ayes (11): Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Joanne Brasch, John Davis, Rachel Palopoli, Robert Nunez, Steve Landreth, Wes Nelson

Nays (1): Doug Williams

Abstain (1): Joe Yarbrough

Absent (2): Jorge Orozco, Steve Belong, Nat Isaac

The motion passes



September 25, 2019

Scott Smithline
Department of Resources Recycling and Recovery
1001 I Street Sacramento, CA 95812

Submitted via email: scott.smithline@calrecycle.ca.gov

Re: Disapproval of CARE's Chapter 0 Report and Supporting Documents

Dear Director Smithline,

The National Stewardship Action Council (NSAC) and the California Product Stewardship Council (CPSC) **recommend disapproval of CARE's Chapter 0 Report** and supporting documents as submitted on September 3, 2019. CARE has not provided \$42973.5 "all data necessary for the Department to evaluate the effectiveness of the program" in their Plan submission on 9/24/18, Chapter 0 on 12/24/19, and now again in the Chapter 0 Report submitted on 9/3/19.

Our primary concerns with the Chapter 0 Report are as follows:

1. **Transparency on use of public fee money-** CARE does not have participation standards for incentive recipients to provide necessary data required for full transparency to protect public money, meet program goals and regulations. Lack of participation standards are evidenced in the submitted documents, in the collapse of Carpet Solutions and subsequent auctioning of public grant funded equipment, and in the uncorroborated authority to use post-consumer carpet materials in direct land and water use applications;
2. **Transparency on carpet material flows-** The studies do not adequately address the cost of the infrastructure needed to meet program requirements, nor do they provide enough information on carpet material flows needed to justify the assessment levels;
3. **Lack of validation the models are accurate-** The Economic, Cost Conversion, and Subsidy Justification Models do not have enough California-specific data or prioritize processor capacity in California. The Chapter 0 Report does not clearly lay out how CARE will adjust their models to incorporate the recommendations from Crowe's independent audit and verifying there is no need to change the assessments or subsidies while still meeting the goals of the program.

We are disappointed that after eight years into the program, CARE has not proven their stewardship model works for California and refuses to provide the data to prove otherwise.

Respectfully,

Heidi Sanborn, Executive Director
National Stewardship Action Council

Doug Kobold, Executive Director
California Product Stewardship Council

cc: CalRecycle Carpet Team, carpet@calrecycle.ca.gov

From: [Tim Goncharoff](#)
To: [Carpet Product Stewardship@CalRecycle](mailto:Carpet.Product.Stewardship@CalRecycle)
Subject: Do Not Approve Carpet Stewardship Report
Date: Wednesday, September 25, 2019 2:06:36 PM

As participants in the carpet recycling program from the beginning, and as an agency that is very invested in the success of carpet recycling, we would like to urge you not to approve CARE's most recent report.

The report seems to be full of generalities, platitudes, and national data with little relevance to the industry's efforts in California. It is very unclear what they are doing with the vast amounts of money they collect from California consumers, and there seems to be very little investment on the part of the industry in sincere efforts to recycle carpet. Honestly this reads more like a marketing effort than a serious attempt at demonstrating progress.

We urge you to hold CARE to a higher standard and to insist that they fully document their progress or lack of it.

Thank you,

Tim Goncharoff
Santa Cruz County



Reclaiming Resources for a Greener Planet

September 25, 2019

To: Scott Smithline, Director CalRecycle
From: Gail Brice, Sr. Vice President of XT Green

Re: XT Green Comments regarding CARE's Draft Chapter 0 Report

XT Green is in the process of constructing our patented Advanced Manufacturing facility to recover resources from post-consumer carpet (PCC) at 11600 Millennium Court in Rancho Cucamonga CA. This \$10 million commitment by XT Green to provide an additional 40 million pounds of annual California-based PCC processing capacity is finally underway after overcoming and continuing to push through almost two years of significant, unforeseen challenges beyond the control of XT Green. This includes the need to secure an alternative electrical utility to supply adequate power to the facility.

On behalf of XT Green and as a member and Secretary of the California Carpet Stewardship Advisory Committee, I want to first commend the staff of CARE and the CalRecycle carpet team regarding the ongoing efforts regarding the California Carpet Stewardship Program and also echo my support of the Advisory Committee's recommendations submitted to CalRecycle regarding CARE's Draft Chapter 0 Report.

The following additional comments, based on almost 10-years' experience in California carpet recycling and 30 more years of environmental consulting work, are provided to support the success of the California Carpet Stewardship Program and the new XT Green PCC processing facility.

They include ideas to:

- A. Create a "level playing field" for California Processors
- B. Expand private collections to reduce costs and help meet needed 29% increase
- C. Expedite collection & processing of commercial broadloom PCC
- D. Increase % of PCC recycled content in pellets
- E. Eliminate subsidy and grant funding that involves in-/on-ground applications
- F. Capitalize on the practical experience and expertise of the Advisory Committee by soliciting input into studies, models and programs prior to implementation

A. Create a “level playing field” for California Processors

On page 0-10 of the draft Chapter 0 report it states that, although just a “small pool” of data was able to be collected, that “economies of scale, processing technology differences and throughput capabilities are more important factors than where a business is located (e.g. CA vs GA).” However, on Exhibit ES-3 the following regional differences in costs to operate a business in CA vs GA are provided:

	<u>San Jose California</u>	<u>Georgia</u>	<u>Difference</u>
1) Minimum wage:	\$15/hour	\$7.25/hour	2 x in CA
2) Warehouse rent:	\$15/sqft/yr	\$5/sqft/yr	3 x in CA
3) Electric utilities:	\$0.14k/kWh	\$0.06/kWh	2.3 x in

This analysis should also include the significant difference in costs to comply with environmental, health & safety and fire protection requirements in CA vs. GA.

California is still the only state with a carpet stewardship program, so PCC generated in California is of great value to out-of-state processors as they now receive the same subsidies as California processors. This was acceptable when there was limited processing capacity in California, but with the rapidly expanding California infrastructure (including XT Green in 2020), we now need to address whether there is a level playing field for CA processors to compete for California PCC with out-of-state processors. This is especially important as three major California carpet processing facilities have closed since the inception of the CA Carpet Stewardship Program administered by CARE.

The cost to transport PCC to Georgia is @ \$.08 per pound, this is miniscule next to the operating cost differentials which is even higher in Southern California. Therefore, rather than having a statement in the Report that regional differences are not a significant factor, CARE should commit to a study regarding differential subsidies to California vs. out-of-state processors to support the success and continued expansion of the California carpet recycling infrastructure and the creation of CA green jobs, as required by statute.

If the option of processing California PCC outside of the state becomes less attractive, the support for carpet stewardship programs in other states may also increase. The importance of a Carpet Stewardship program is demonstrated by the current 2020 recycling rate goal in California vs. the < 5% recycling rate in the rest of the U.S.

Proposed changes in Chapter 0 report:

- ***In order to maintain a level playing field for California processors to secure adequate California PCC, on page 0-10 CARE should commit to a study beginning in Q4 2019 to adjust the subsidies in the Plan based on the regional differences in California operating costs, with the implementation the subsidy differential rates implemented no later than Q3 2020.***

B. Support the expansion of private collections to reduce costs and help meet needed 29% increase

Besides XT Green's concerns discussed in (A) regarding the challenges competing for PCC with out-of-state processors (with significantly lower operating costs), XT Green is also concerned whether the CARE program can produce the increased supply of PCC for processors, like XT Green. that is needed to meet recycling goals.

Throughout the Report the need for additional collections are discussed to increase the recycling rate. For example, on page 0-4, it's noted that *"at a minimum, the amount of whole carpet collected must reach approximately 120 million pounds, a 29% increase over 2018 quantities."* A significant amount of the Report focuses on drop-off sites, including identifying the current drop-off site cost of \$.08 to \$1.70 per pound although the drop-off sites result in a relatively small % of the total carpet currently collected.

This contrasts to the current cost to the fund for private collector/sorter entrepreneurs (CSE's) of \$.02 per pound. The decision whether to support CSE's or drop-off sites tends to be clear when it comes to urban areas or remote rural populations. However, it become less definitive with everything in between. This is especially true as the CSE's operational costs increase as they collect farther away from their collection/sorting facilities. As the least cost for drop-off sites is \$.08 per pound, CARE should now explore what additional subsidies would be required to expand the territories that could be more cost-effectively serviced by the CSE's. This information should then be used to develop a Plan by Q2 2020, taking into consideration "convenient collections, to identify how the needed 29% increase in collections can be most cost-effectively realized.

Proposed changes in Chapter 0 report:

- ***CARE should commit to developing a Plan by Q2 2020 that shows the various options and associated costs to meet the 29% increase in collections required to meet the recycling goals. The Plan should include the possibility of increasing CSE subsidies to expand collections.***

C. Expedite collection & processing of commercial broadloom PCC

Commercial broadloom carpet has historically had minimal recycling opportunities due to the challenges of processing this material that are listed in the first paragraph of page 0-12 of the Report. This is starting to change for commercial broadloom with Nylon 6 face fiber and will increase significantly with the start-up of XT Green's patented Advanced Manufacturing facility to recover resources from PCC that has a unique aqueous-based technology designed to accept commercial broadloom.

XT Green is concerned that the current Chapter 0 is inadequate to capitalize on this new opportunity to increase recycling rates as much of the commercial broadloom generated is through C&D operations:

On page 0-12, CARE identifies that due to *“unforeseen challenges”* that they (and one assumes their consultant Cascadia) need additional time to secure additional *“quantitative responses”* from the Contractors/C&D sector. They also note this is desired in order to *“garner the much desired, and valuable input from the Advisory Committee.”* This would seem to suggest that the Advisory Committee has not provided input regarding their work in this sector. As a member and the Secretary of the Advisory Committee this is somewhat confusing as the Contractor/C&D sector “results” were included in presentations to the Advisory Committee by Cascadia in June and again in August with the consensus being that the results presented did not match reality.

The C&D Sector study was conducted by Cascadia between October '18 and May '19. Over these nine months, only 31 responses were collected. This generated the “key findings” that carpet from demo sites are either tossed into jobsite containers or taken to C&D recycling sites where in both cases the *“carpet is generally not separated from other materials”* but 23% of the carpet is somehow recycled.

Besides the problems with the contamination of the PCC in the bins, much of this carpet would be commercial broadloom which, as discussed above, is just beginning to have significant outlets for processing. It appears that CARE is requesting additional time for Cascadia to address this sector, however it's unclear based on the results to date how this extension would produce different and more helpful information.

The original Chapter 0 commitments, included in *italics* on the top of page 0-10, proposes a working group beginning in January 2020 to address the unique challenges regarding commercial broadloom collections. The existing state laws for C&D waste, based on weight, facilitate the dumping of carpet in with other C&D wastes. Therefore Chapter 0 includes the need to explore changes in local and state C&D goals to support carpet recycling. However, the working group report is slated for the end of 2020.

Based on the above, it's difficult to see a significant increase in the collection of broadloom carpet generated through the CARE program if the results are based on extending the existing ineffective Contractor/C&D sector study and just having a working group report at the end of 2020 rather than any implementation

Proposed changes in Chapter 0 report:

CARE should commit to (a) an alternative approach to collecting data for the Contractor/C&D sector convenient collections study and (b) identify actions that could be implemented now to increase C&D collections, e.g. working with

CalRecycle to create separate diversion weight % goals for carpet (and drywall & manufactured wood) for C&D waste and model programs for local governments.

Note: See comments in (F) below regarding securing the Advisory Committee's input prior to beginning studies (or if there are problems) in order to help avoid issues such as the Contractor/C&D sector study identified on Page 0-12 discussed above.

D. Include/increase % of PCC recycled content in pellets

On Page 0-18, with the low 10% PCC recycled content goal by 2025, it appears that this goal does not include pellets (which are considered a PCC recycled content "finished product"). This assumption is based on the unique recycling benefits associated with pellets vs. other PCC recycled content products.

As PET recycled content pellets are not currently produced, the following addresses the recycling of PCC with nylon 6 or nylon 6,6 face fiber. The % of PCC recycled content used to produce nylon pellets from the PCC face fiber and polypropylene pellets from the PCC backing is based on the quality of the recovered fiber from PCC used to produce the pellet. This quality is based on the degree of separation of the nylon from the polypropylene and the amount of PC4 (ash) in the fiber.

To produce a high-quality PCC recycled content pellet requires a significant investment by the processor but it results in a major environmental benefit. This is due to the reduced need to add post-industrial and/or virgin nylon or polypropylene to the PCC recycled content pellets to augment the loss of desired properties of pellets produced from poor quality PCC fiber. Most of the greenhouse gas (GHG) reduction benefit from recycling carpet is based on the substitution of the petroleum-based virgin polymer with the PCC recycled content, therefore it follows that if there is a low % of PCC recycled content in the pellet the GHG reduction benefit is significantly reduced.

For example, the patented aqueous-based XT Green advanced manufacturing technology to recover resources from PCC was designed to produce a high-quality recovered nylon with non-detectable cross contamination of polypropylene and extremely low ash content. With this, minimal post-industrial or virgin nylon will be required to produce PCC recycled content nylon pellets from XT Green recovered fiber. XT Green contracted with Georgia Tech to do a complete energy life-cycle analyses of its upcoming facility to determine the greenhouse gas (GHG) reduction benefit. The results projected an annual GHG reduction benefit for the XT Green Rancho Cucamonga facility to be equivalent to the carbon sequestered for 10 years by planting over 2 million trees. Having an increased % of PCC recycled content in pellets will also significantly increase the amount of GHG reduction benefit per pound of PCC processed through the California Carpet Stewardship Program.

Proposed changes in Chapter 0 report:

CARE should add minimum content requirements for pellets and consider separate, tiered PCC recycled content % goals with additional incentives provided to encourage high % rates and increase GHG reduction benefits.

Note: For the implementation of the “minimum content requirement” elements of the Plan, CARE should review the requirements of the California Marketing Claims Law (Business & Professional Code Section 17580 & 17580.5) which references the Federal Trade Commission (FTC) “Guides for Environmental Marketing Claims” for guidance on how to not violate deceptive claims regulated under both California and Federal Law. This guidance includes **Section 260.12 Recycled content claims** which requires that for *“items that are partially made of recycled material, the marketer should clearly and prominently qualify the claim to avoid deception about the amount or percentage, by weight, of recycled content in the finished product or package.”* The rules also include third-party environmental certification.

E. Eliminate subsidy and grant options that involve in-/on-ground applications

On Page 05, under 6) the following CARE commitment is included: *“Focus on assisting Processors and Manufacturers to expand their capacity...”* CARE notes that their efforts will include working with *“academic projects to better understand and guide expanded options that involve in-/on- ground applications.”*

Due to the high potential for airborne and water discharges of micro-plastics, micro-fibers and Prop 65 listed chemicals from in-/on-ground applications of processed PCC, this option should not be “expanded.” If there are any current in-/on-ground applications receiving fund grants or subsidy money they should be stopped immediately.

If CARE insists on continuing this course, they should complete their proposed guideline document titled “Utilization of recycled output in open environment settings” and secure the approvals of the California Office of Environmental Health and Hazards Assessment, California Toxic Substances Control and the California Water Resources Control Board prior to implementation.

Alternatives are available to use this material in industrial applications that will bind the material in the product rather than release it to the environment. This is especially true for PC4 which has a \$.17 subsidy for this purpose. XT Green is committed to using this alternative for its PC4 recovered material.

The Advisory Committee voiced their environmental concerns in Motion 6.0 of their 2018 Annual Report recommendations. CARE denied their request.

Proposed changes in Chapter 0 report:

CARE should remove the commitment to expand in-/on-ground applications and focus efforts on industrial applications that don't release PCC recycled output to open environmental settings.

F. Capitalize on the practical and experience of the Advisory Committee by soliciting input into studies, models and programs prior to implementation

Much of the work that consultants are conducting for CARE to support the California Carpet Stewardship Program is unique to the sale, use, installation and recycling of carpet in California. Therefore, no consultants, CARE staff or CalRecycle possess the combined expertise of hundreds of years of practical experience within the Advisory Committee. As noted in Chapter 0, due to longer-than-expected efforts by consultants, CARE couldn't "*garner the much desired, and valuable input from the Advisory Committee*" if they were to meet the September 1, 2019 deadlines.

As noted in C. above, input was "garnered" for the Convenient Collections Study from the Advisory Committee during a June 2019 teleconference dedicated to the Study and then again at an in-person meeting in July for a few more hours. The goal of this effort by CARE was to secure feedback on potential options for Convenient Collections based on data collected for over a year. Actual feedback was minimal on this topic because the Advisory Committee focused on concerns regarding data collection and provided alternative practical, cost-effective collection alternatives that were not considered in the study but were included in Chapter 0 on pages 0-13 and 0-14 without crediting the AC.

CARE has a major task before them. The Program doesn't have the time or funding to waste on miss-steps made by CARE's consultants such as:

- 1) As discussed in C., the nine months that Cascadia attempted to collect data from the C&D/Contractors and then not have the background to know the minimal information collected did not match reality.
- 2) As discussed in A., Crowe's conclusion, based on a "small pool" of data, that the 2x – 3x additional operational costs in California vs. Georgia did not impact the ability of California processors to compete for PCC with out-of-state-processors. This is especially dangerous in the context that, out of the five major carpet processors that have located in California, three are shuttered their operations. Aquafil is coming on-line in California with XT Green following in 2020, the success of these and the existing California processors need to be a priority.
- 3) As discussed in E., academic studies of in-/on-ground applications of processed PCC that include micro-plastics, micro-fibers and Prop 65 listed chemicals.
- 4) Over a million dollars being spent annually on education and outreach programs with no input from the Advisory Committee to possibly translate hundreds of "touches" into possible leads to convert interest into pounds of recycled carpet.

Although it may be difficult (and possibly unproductive) to solicit input from the entire AC, CARE may want to consider requesting input by AC subcommittees made up of stakeholders with the practical expertise aligned with the goals of the projects.

Proposed changes in Chapter 0 report:

CARE should modify current commitments to solicit input from the Advisory Committee for draft report studies after most of the work has been completed, to utilizing AC subcommittees to provide input for studies, models and programs upfront to take advantage of the AC stakeholders' practical expertise.

Again, on behalf of XT Green and as a member and Secretary of the California Carpet Stewardship Advisory Committee, I want to commend the staff of CARE and the CalRecycle carpet team regarding the ongoing efforts regarding the challenging California Carpet Stewardship Program.

I appreciate this opportunity to submit these stakeholder comments. Please do not hesitate to contact me if you have questions. Thank you for your consideration.

Sincerely,

Gail Brice

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562.592.5989 (direct) 562.448.4254 (mobile)

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