

Recycling Committee of the Statewide Commission on Recycling Markets and Curbside Recycling

Draft Meeting Notes

Date: October 23, 2020, 1pm – 3pm PST

Location: Remote

Present:

Commissioners: John Bouchard, Jan Dell, Jeff Donlevy (Chair), Laura Ferrante, Nick Lapis, Alex Oseguera (Vice-Chair), Richard Valle (arrived at 1:28 pm)

Absent:

Joseph Kalpakoff

Agenda:

Item 1: 1:00 pm (5 min) Call to Order, Roll Call, and Establishment of Quorum

Chair Jeff D. calls the meeting to order and calls roll. Valle is absent but arrives at 1:28 p.m. and Joseph K. is absent. A quorum is established.

Item 2: 1:05 pm (10 min) Public Comment Review – Items Not on the Agenda

Public comments (for complete text of comments, see Appendix I): None.

Item 3: 1:15 pm (5 min) Review and Potential Approval of Meeting Notes

John B. makes a motion to approve without changes and Alex O. seconded. All other committee members agreed.

Public Comments: None.

Item 4: 1:20 pm (25 min) Discussion of Policy Recommendations – Design for Recyclability

Dell presents Design for Recyclability Policy Recommendations.

1. The first recommendation is “Adopt state policy to not allow manufacturers to use shrink sleeves and non-compatible labels on all bottles, can and containers.” ick L. said that the committee should be open to caveats or when the recommendation get to the commission, he would like to hear more from the public if they have concerns. Oseguera. made motion to move recommendation to commission, Ferrante seconded. Other commissioners agreed to move it forward.
2. The second recommendation is to prohibit combined metal-plastic components (lids). Lapis made motion to move recommendation to commission, with other commissioners agreeing. Recommendation was moved forward.
3. The third recommendation is to only allow clear PET beverage containers in the CRV program. Lapis is concerned that there may be unintended consequences of this recommendation, as manufacturers may use colored bottles to avoid paying processing fees. He suggests classifying PET bottles as plastic #7 if they are not clear or create different strata within each resin category. Dell states that the intent is to not allow PET bottles that are not clear, but she is supportive of sending the commission a suite of options for this recommendation. All commissioners agreed to move recommendation up to commission.

Chair Donlevy states that e-commerce packaging will be discussed at future meetings and he has invited a major e-commerce company to attend the Nov 6 or Nov 13 meeting. Dell is sending the e-commerce company specific questions about their packaging and its recyclability, etc. ahead of the meeting.

Public Comments:

- John Cook (1)
- Nicole Quinonez
- John Cook (2)
- Susan Collins (1)
- John Cook (3)
- Susan Collins (2)

Item 5: 1:50 pm (25 min) Presentation – rPlanet PET Reclaiming Operations

Speakers Present:

- Robert Daviduk, rPlanet Earth Co-Founder & CEO
- John McKernan, Advisor, BOD Member
- Octavio Victal, rPE Green Impact
- Scott Wilkerson, BFA (Ready-PAC)
- Rick Tomlinson, President, California Strawberry Commission

Robert Daviduk begins with an overview of rPlanet Earth, its business model and the development of food-safe PET thermoforms using recycled thermoform material. He discussed the opportunity to recycle PET thermoforms. Currently MRFs typically do not sort out PET thermoforms but include them in B-grade bales, usually up to 10%.

Octavio Victal presents on Green Impact Plastics, a facility designed to process bales of 100% thermoforms. They are planning a second facility near Vernon, CA.

Scott Wilkerson presents an overview of Bonduelle, known for its Ready Pak brand in the United States. The company has made firm commitments to the use of recycled PET thermoform and needs a steady supply of recycled material.

Rick Tomlinson discusses the stakeholders in the berry supply chain and the new commitment to transition the source of recycled content from PET beverage containers to thermoform containers.

John McKernan, former CEO of Peninsula Packaging, discusses the commitments needed from industry (brand owner using thermoform PCR, investment in sorting and bale recycling/processing). John requests that the commission add PET thermoforms to the “recommended” list of materials or provide a pathway to be added to the recommended list [recyclable material matrix]. He asks CalRecycle to address the “unintended consequences of paying a commingled rate to curbside programs on bales that include thermoform containers”.

The commissioners ask the speakers questions regarding the quantity of berry thermoforms in the thermoform stream; contamination in the stream; and the cost of separating thermoforms at a MRF.

Lapis asks why PET thermoforms should be considered different than other materials also not currently recycled near the 75% rate and why the commission should advocate it being recycled through curbside programs. John McKernan describes the progress already made and allude to the commitments the industry is making to secure rPET thermoform material.

Oseguera states that commission needs to look at functioning markets that pay for the cost of processing. Valle asks Rick Tomlinson how long the industry needs for analysis on price point for material. Tomlinson responds that the recycling supply chain has the information to do that analysis, not the berry industry.

Chair Donlevy discusses that thermoforms don’t currently meet the criteria on the recycling list, but they want to create a runway for products like thermoforms to get thermoforms onto the statewide list. It will be important that the costs of collecting and processing thermoforms doesn’t fall only on the haulers and consumers. Chair Donlevy plans to follow up with the speakers.

Public Comments:

- Bruce Magnani
- Stacy Katz
- Susan Collins (3)
- John Cook (4)
- Shirley Freriks (1)
- Shirley Freriks (2)
- John Cook (5)
- Susan Collins (4)

Item 6: 2:15 pm (25 min) Discussion of Bottle Bill – Problems & Potential Solutions

Chair Donley raises draft recommendations relating to the Bottle Bill:

1. Grocers Made Whole – Adopt a Policy to Pay Grocers CRV & Handling Fee Payments for Material Taken Back into the stores
2. Store Exemptions – Changing existing stature to allow a maximum 35% Store Exemptions by County/Jurisdiction

The commissioners support moving the recommendations to the commission. Nick L. supports but would like to do more research on store exemptions recommendation.

3. Convenience Zones - adopt a policy to allow CalRecycle or other entity to expand or adjust convenience zones; and change existing stature to allow payment of handling fees when not on dealer sites in underserved areas (establish caps on handling fees by recycling center and by jurisdiction).

The commissioners support moving the recommendation to the commission.

4. Overserved & Underserved Areas - adopt policy to use new or existing additional funds from the Beverage Container Recycling Fund to start up new programs in underserved areas; and allow density-based processing payment structure.

Valle says it is important to see an analysis of the fund (status, where it is heading, etc.), so that they can back up the recommendation with data. Chair Donlevy agrees on the need for analysis.

Public Comments: None.

Item 7: 2:40 pm (10 min) Data Review and Requests

Chair Donlevy reiterates his data request to CalRecycle for analysis on the effect of increasing the deposit to \$0.10 and adding wine and spirits to the program.

No new data is requested by the commissioners.

Public Comments: None.

Item 8: 2:50 pm (5 min) Next Meeting, Proposed Meeting Schedule for 2020-2021, and Agenda Items for Future Meetings

The next meetings are scheduled for Nov 6 and Nov 13.

Public Comments: None.

Item 9: 2:55 pm (5 min) Meeting Summary and Closing

Chair Donlevy reiterates the recommendations that are moving forward to the commission.

Lapis asks that the committee discuss how materials get on the 'statewide recycling list' before July 1, 2021 final report deadline. Dell volunteers to put a draft process together on how to get on the list. She plans to have the draft finished before the Nov 6 meeting.

Dell states that CalRecycle gave five grants to companies to expand plastic recycling in the 2018-2019 grant cycle and she would like a report back on the impact of those awarded funds.

Public Comments:

- Shirley Freriks

Appendix 1:

John Cook, Niagara Bottling (1)

Shrink sleeve labels act in some cases as UV protectors. To add EVOH is possible , but also makes them not recyclable. You can use new shrink sleeve that are approved by APR. I would like to see the actual data on water use and we can see what can be done.

Nicole Quinonez, Madden Quinonez Advocacy

As I commented in front of the commission, regarding the purpose of the shrink sleeve, for many products there is a function to the shrink sleeve. Many cleaning products for example, will degrade quickly when exposed to the light, so bottles used to be opaque colors in order to prevent the degradation. As previously discussed, colored plastic is also not desirable, so companies moved to clear plastic with a shrink sleeve with a goal to increase recycling of the container.

John Cook (2)

Crystalizable PET shrink label with wash off ink are approved and do work. They are more expensive than PET-G. I'm not confident that paper labels will float off.

Susan Collins, CRI (1)

Another example is that, in Norway, the producer fees are higher for blue PET than for clear PET.

John Cook (3)

I agree in principle that colored PET is problematic. They are collected and sorted in Mexico. They have traditionally been used for strapping after recycling.

Susan Collins (2)

Now that AB 793 has passed, and beverage manufacturers have to use recycled content (starting at 15% and rising to 50%), there will be a huge need for rPET material. It will really help if all the PET is clear, so it can all be used to make PET bottles.

Bruce A Magnani, Association of Plastic Recyclers

The Assoc of Plastics Recyclers believes the PET Thermoform market is real. While it is emerging, this market has a very large upside. We have worked with the both the customers of PET Thermoforms as well as processors, and it has been demonstrated that the process works. The commission has an great opportunity to make recommendations that will accelerate the growth of this market. This is a great opportunity to transition a market, improve diversion, and boost recycling in California, with great environmental benefits.

Stacy Katz, Waste Management

The issue with PET thermoform recovery in curbside programs is a systems issue. The equipment that the MRFs use to separate out PET is an optical sorter that doesn't sort on shape. It just sorts on PET (injection and thermoform). The MRFs sell bottle-grade bales and the PET thermoforms are a contaminant. With adequate financial incentives MRFs could add technology to remove the thermoforms but the biggest issue is that you need a bunker to put it in and most MRFs are constrained by space. They simply cannot just 'add' a new Bunker in the middle of the system. If the world wants to solve this problem, there needs to be a much larger discussion about how to solve it. What happens to all the thermoforms that go to the PET reclaimers? Can you not recover it from them? Is there some other solution? There needs to be a well thought out strategic plan. Expecting MRFs to just magically start sorting out is not realistic.

Susan Collins (3)

This presentation on PET thermoforms is really interesting, but it's also very difficult to see over the gotowebinar platform. It would be great if the powerpoint could be uploaded to the commission's google drive folder ASAP, so that all of today's participants can see it.

John Cook (4)

Could the Commission support the establishment of secondary MRFs that could collect mixed plastics from numerous MRFs and make clean thermoform bales in a cost effective manner.

Shirley Freriks, Elders Climate Action (1)

What about take out restaurant Market? I want to make them use plant based containers. Might this be better than thermoform.? Still have problem of no proper recovery.

Shirley Freriks (2)

Please consider that we want to encourage new alternatives like thermoforms and plant based alternatives. Create the diversion stream and we can get the people to buy and recycle.

John Cook (5)

While the US Plastics Pact is completely voluntary, the signatories have set public goals of 30% recycled content by 2025 in all plastic packaging and a 50% recycling rate for all plastic packaging by 2025.

Susan Collins (4)

CalRecycle pays tens of millions of dollars to curbside programs each year for CRV PET bottles. CalRecycle's research has shown that millions of dollars of payments are overspent on non-bottle items in PET bales, and the PET thermoforms in the bales are a contributing factor to these overpayments.

Shirley Freriks (3)

Would banning wine and spirits bottles being plastic keep them in glass to reduce the plastic problem?