Extended Producer Responsibility Policy Framework and Implementation Model:
Residential Recycling of Packaging and Paper Products in Washington State

EPR Policy Framework and Implementation Model

Lisa Sepanski, King County Solid Waste Division
McKenna Morrigan, Cascadia Consulting
Participating in this webinar:

Board members and interested parties may ask questions during the presentation with the chat box:

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Board members may unmute themselves after the presentation with questions.
EPR Policy Framework and Implementation Model

Lisa Sepanski, King County Solid Waste Division
McKenna Morrigan, Cascadia Consulting
2018 China National Sword

Responsible Recycling Task Force Recommends:

Action Item 1A – Develop a statewide stewardship policy approach that helps achieve a funded, harmonized curbside recycling system in Washington State
There’s a real interest at the state and local level to get the manufacturers of the material to be responsible for that material ... and I think that’s a good thing to improve the health of recycling.”

- Laurie Davies,
Solid Waste Program manager,
Washington Department of Ecology
Extended Producer Responsibility (EPR) for Packaging

EPR is a stewardship policy that:

• **Shifts responsibility** for end-of-life management to **producers**

• Creates incentives for producers to **incorporate environmental considerations into the design** of their products and packaging

EPR for packaging is in place throughout Europe and Canada, and being adopted globally.

Source: Lorax EPI
Creating A Statewide Stewardship Policy and Model

Study Elements

• Policy Framework:
  Laws/regulations that provide the framework for an EPR system in Washington

• Implementation Model:
  Scenario that illustrates how an EPR System might be executed in Washington State

Staff and Consultants: C+C, Cascadia Consulting, Full Circle Environmental, Bell & Associates, Foster Garvey, PC, Maria Kelleher and Geoff Love
Existing Regulations

RCW 70.95  State Authority/Recycling Goals/Service Standards
RCW 81.77  WUTC/County/City Roles related to recycling collection
RCW 36.58.040  County authority related to residential recycling service

Washington Utilities and Transportation Commission (WUTC) was consulted regarding:

• Their authority/regulations
• Pathways for integrating EPR with existing regulations

WUTC staff saw no legal or regulatory issues with scenarios developed for how EPR policies might integrate with WUTC authority.
Existing Infrastructure

Collection

*Curbside & drop-off locations*

Post-collection

*MRFs, processing & markets*

- **186** of 320 Jurisdictions provide curbside recycling
- **171** public drop-off locations
- **7** single-stream MRFs
- **1** multi-stream MRF
- **Many** other locations do basic separation & marketing
EPR Policy and Model

- Design for recycling/content
- Producer funded
- Producer Responsibility Org. (PRO)
- Accountability & enforcement
- Harmonized materials list
- Consistent service standards
- Material-specific recycling rates
- Responsible recycling & end markets
- Design for recycling/content

EPR Policy and Model

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Implementation Model: *Producer Responsibility*

State Law Requires Producers to Fund and Manage the Recycling System

- Producers must cover *all system costs* to meet performance requirements.
- Fees based on state sales volume, type of packaging.
- Producers pay fees on ALL packaging, including non-recyclable packaging.
  - Better design = lower fees
  - Disruptive, non-recyclable = higher fees
State Law Authorizes Producers to Form Producer Responsibility Organization (PRO)

- Non-profit org works on behalf of producers to carry out requirements of state law, coordinate harmonized statewide system services.
- Guided by board, advisory committee, required consultations with stakeholders.
- Ensures producers have skin in the game but does not allow collusion.
- State law has enforcement mechanisms to hold both PRO and individual producers responsible.
Implementation Model: Statewide System Design

Collection

Post-Collection
Implementation Model: *Collection*

State Law Establishes a Harmonized List of Recyclable Materials with Mandated Recycling Rates for Each Material

- Expansive list, includes all rigid plastics, film/flexible packaging, cartons, etc.

- Materials not compatible with curbside collection must be collected through alternate systems (e.g. depots, retail stores, e-commerce).

Source: *Recycle BC*
Implementation Model: Collection

State Law Sets Consistent Recycling Service Standards for All Residents

- Curbside recycling for all households with curbside garbage
- Required access for all multifamily residents
- Convenient drop-off sites for materials that are non-compatible with curbside and rural areas
Cities retain authority to act as service providers. Choose how to interface with the PRO:

**Option A:** Receive PRO funding, provide contracted/municipal collection for EPR system.

**Option B:** Transfer recycling service responsibility and costs to PRO.

**Option C:** Opt out of funding, maintain status quo.

State Law Requires All Residents with Curbside Garbage Service to Receive Curbside Recycling
Implementation Model: *Collection*

**Jurisdictions with WUTC-regulated service**

*State Law Requires All Residents with Curbside Garbage Service to Receive Curbside Recycling Service*

*Unincorporated Areas (WUTC-regulated):* PRO responsible for providing residential recycling in WUTC-regulated areas.

*Residents* have universal service access, no longer pay separately for recycling.
Processors get paid on fee-for-service model – not dependent on commodity values.

Revenue from materials goes back into the system to cover service costs.

Economies of scale make it possible to separate more materials for recycling, enable rapid response to evolving ton.

PRO pays for needed investments – could fund millions in upgrades, new/expanded facilities.
Implementation Model: Post-Collection

Coordinated statewide processing network

State Law Requires PRO to Secure and Finance a Statewide Processing Network

- Consider criteria from OECD competition checklist to ensure regulation facilitates pro-competitive operations by PRO(s), service providers.
- Procurement of services must be performed in transparent, non-discriminatory, and competitive manner.
- Contract duration and scale must be sufficient to provide incentives to invest.
Implementation Model: Post-Collection
Material marketing and recycling

State Law Requires that Materials be Responsibly Recycled, with Documented End Markets

- Chain of custody documentation required to ensure protection of human health and environment.
- Ensuring responsible recycling will lead to more domestic processing and market development.
State Law Requires Producers to Achieve Material-Specific Recycling Rates

- Stringent, enforceable targets drive producer action and investment.
- PRO cannot stop recycling a material because of low commodity value, cannot hide poor recycling of one material type behind another.
- Recycling rate measured by material based on net tons delivered to legitimate commodity buyers/end markets.
Material-specific net recovery rates now in effect in BC. Reporting on GHG performance will begin in 2020.

<table>
<thead>
<tr>
<th>Material Category</th>
<th>Target Recovery Rate</th>
<th>Year to Achieve Target</th>
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<tbody>
<tr>
<td>Paper</td>
<td>90%</td>
<td>2020</td>
</tr>
<tr>
<td>Rigid Plastic</td>
<td>55%</td>
<td>2022</td>
</tr>
<tr>
<td>Film/Flexible Plastic</td>
<td>22%</td>
<td>2022</td>
</tr>
<tr>
<td>Metal</td>
<td>67%</td>
<td>2020</td>
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<tr>
<td>Glass</td>
<td>75%</td>
<td>2020</td>
</tr>
</tbody>
</table>
State Law Requires Producers to Use Recycled Content in their Products and Packaging

- **New element** of an EPR policy package that will create demand for recycled materials.
- Already being used to drive circular economy in packaging in CA and OR; will be implemented soon in Europe.
- Third-party certification of PCR will be required to meet requirements.
State Law Requires a Mechanism for Effective Oversight and Enforcement

• Establish an independent regulatory agency to enforce the law
• Funded by producer registration fees
• No impact on state budget
Additional Resources

For additional resources:
Visit King County’s Responsible Recycling Task Force Website

Questions?
Contact Lisa Sepanski
Lisa.Sepanski@kingcounty.gov
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