



## Northwest Product Stewardship Council

### **History of the Beverage Container Recycling Initiative Stakeholder Process in the State of Washington 2008**

The purpose of this report is to document the process and efforts made by the Environmental Protection Agency Region 10 (EPA) and the Northwest Product Stewardship Council (NWPS) to develop an incentive system to increase the collection and recycling of used beverage containers without the use of cash deposits. The effort lasted 18 months and involved 48 individuals representing 35 industry stakeholders. This project was part of a multi-pronged approach to increase the recovery of containers in Washington State. The other project, to increase the effectiveness of curbside collection, is still ongoing.

After two years of collaboration, the process did not come to a successful conclusion. The primary reasons were:

1. Lack of funding from industry stakeholders
2. Lack of interest from the National stakeholders including:
  - a. National Recycling Coalition
  - b. Beverage Packaging Environmental Council
3. Lack of input from industry stakeholders during the project proposal selection and scoping process, which may have led to less effective project proposals.

#### **Purpose of Beverage Container Recycling Initiative**

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The recycling rates for packaging materials and specifically used beverage containers, has been decreasing. Given the embodied energy and the high demand for recycled raw material supplies of aluminum, plastic and glass, in 2006, the EPA targeted beverage containers for a nationwide effort to boost recycling rates. EPA headquarters began a series of dialogues with industry stakeholders, local governments and non-governmental organizations involved in container recycling to identify barriers and potential opportunities for collaboration.

At the same time that the national effort was occurring, the City of Tacoma engaged Sound Resource Management Group to do an economic impact analysis of a standard “bottle bill” or cash deposit system, on the recovery rates for containers and on solid waste system costs. The purpose of the study was to look at alternative collection incentives for glass containers in anticipation of a decision to drop glass collection from the City’s curbside recycling program. See [Appendix A](#) for the report.

The Northwest Product Stewardship Council, a coalition of local government agencies in the Pacific Northwest, was also exploring ways to increase the recovery of beverage containers and signed on with EPA as a co-sponsor of the **Beverage Container Recycling Initiative**.

#### **Local Process History**

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On August 31, 2006, 48 individuals representing 35 industry stakeholders met in Tacoma, Washington to begin discussions on increasing the recycling rates of used beverage containers. See [Appendix B](#) for the agenda and [Appendix C](#) for the minutes of the meeting.

Prior to setting up the meeting, the stakeholders had agreed that collecting cash deposits on beverage containers at retail stores was not going to be considered as an incentive or a potential solution. The stakeholders agreed to this due to the opposition that bottle bill deposit proposals typically generate when proposed in States that do not already have them. As a condition of participating, the NWPSC required that the solution(s) proposed as a result of the process would need to have product stewardship principles included if the NWPSC were to stay involved and be supportive of the outcome(s). See [Appendix D](#) for the document prepared by the NWPSC specifying the conditions of participation.

One outcome of the initial meeting was identification of the need for stakeholder education on existing incentive programs in the U.S. and Canada so that everyone had the same baseline level of knowledge. As a result, EPA scheduled three educational conference calls covering eight beverage container recovery programs in use in the United States and Canada. The calls were held the first two weeks of November and the first week of December 2006. See [Appendix E](#) for a summary of the programs that were represented. Presentations from the educational calls can be found online at: <http://www.productstewardship.net/productsContainersActivities.html>. After debriefing the education calls, the stakeholders agreed to meet again for a half day in January 2007 to plan the next steps.

Prior to the January meeting, a summary was prepared of progress to date, the need for pilot programs to test the ideas on how to fund the projects and the criteria or types of incentive systems that the group was interested in testing. The agreed upon plan was to ask local, state and federal governments for \$150,000 for the grant pool, \$300,000 from the Beverage Packaging Environmental Council (BPEC) and \$300,000 of in-kind donations from the pilot program partners. BPEC is an industry stakeholder group formed in 2006 to research and propose solutions to the decline in used beverage container recycling. BPEC was formed and facilitated by the National Recycling Coalition (NRC). Find more information about BPEC from the NRC website at: <http://www.nrc-recycle.org/beveragepackagingenvironmentcouncil.aspx>. See [Appendix F](#) for the original presentation given at the 2005 NRC national convention and [Appendix G](#) for a page of frequently asked questions.

At the January 2007 meeting, the group agreed to issue a Request for Proposals (RFP) for incentive programs in accordance with the incentive parameters that had been agreed to earlier (see [Appendix H](#)). The RFP was issued on April 4, 2007 and 6 proposals were received (see [Appendix I](#)). A screening committee comprised of the following stakeholders ranked the proposals: Vicky Salazar, EPA; Lisa Sepanski, King County Solid Waste Division; Shannon McClelland, Washington Department of Ecology; Kelly Schneider, EPA; Brad Boswell, Washington Beverage Association; and Dan Cantrell, Washington State Recycling Association.

The top three proposers were interviewed by Vicky Salazar, Lisa Sepanski and Bill Smith, representatives of the EPA and the NWPSC. As a result of the interviews two proposers, White River Amphitheatre/Cascadia and Northtown Mall, were asked to provide additional information about their projects. One proposer, ReSources, was dropped from further consideration. Final scopes of work were completed in November 2007 and submitted to BPEC for funding. See [Appendix J](#) for the final scope of work for the White River Amphitheatre and [Appendix K](#) for the final scope of work for the Northtown Mall.

The final proposals were forwarded to Kate Krebs and Ed Skernolis at NRC in late November of 2007. Follow-up phone calls determined that the proposals would be considered at the January meeting of the BPEC board and a decision would be made by the first of February 2008. Bill Smith called and spoke with Ed Skernolis at the end of February 2008. Ed related that the January BPEC meeting had

been cancelled and the next one would not be held until March. Subsequent to that conversation, Bill Smith spoke with Jan Gee, the Washington State representative for the Associated Food Industry. Jan indicated that BPEC had trouble collecting donations from their member organizations and that the feedback she heard was that the two proposals that were sent were not “what they were looking for.”

The packaging committee met via conference call in March of 2008 and unanimously agreed to end the effort to come to mutually agreeable solution(s) to the problem of used beverage container recovery. The time had passed for the White River/Cascadia proposal to get started in preparation for the 2008 concert season and requests to the Northtown Mall proposers for an answer on whether they were still interested in funding for their project went unanswered.

Therefore, given the amount of time, effort, money and work put into this effort, the packaging committee of the NWPSC and EPA have determined that continued discussions with industry stakeholders for the purpose of developing alternate incentive systems for beverage container recovery are not likely to lead to real progress without a firm, upfront commitment of funding and staff time from industry to implement a program in Washington. The steering committee of the NWPSC on March 21, 2008 agreed to terminate work on the project and begin exploring other options to increase the recycling of used beverage containers and other packaging materials, including depot and deposit systems.

The steering committee members wish to recognize and thank Vicky Salazar and Laura Knudsen of EPA Region 10 for their support and leadership in this effort. Without them, we would not have been able to complete the efforts documented herein.