



March 12, 2013

Bryn Oakleaf  
State of Vermont Department of Environmental Conservation  
Waste Management & Prevention Division  
1 National Life Dr, Davis 1  
Montpelier VT 05620-3704

Dear Ms. Oakleaf:

The Glass Packaging Institute (GPI) is pleased to provide an initial set of comments to recently issued, ***Comparison of System Costs and Materials Recovery Rates: Implementation of Universal Single Stream Recycling With and Without Beverage Container Deposits, Mar. 4, 2013 (DSM Report)***

GPI is the North American trade association for the glass container manufacturers, glass recyclers, and suppliers of materials, equipment and transport to the industry.

The types of recycling systems utilized around the country are of great importance to the glass container manufacturing industry. When glass plants can increase the levels of recycled glass as part of the overall batch mix, they can reduce furnace temperatures, resulting in reduced energy use and lower greenhouse gas emissions. This is also true of other packaging and manufacturing industries. For glass, one ton of carbon dioxide is reduced for every six tons of recycled container glass used in the manufacturing process. Energy use at the glass plants also drop about 2-3% for every 10% recycled glass used in the manufacturing process.

Based on the forgoing, it should come as no surprise that GPI member companies are strongly impacted by the outputs of the municipal solid waste (MSW) and recycling streams. A top priority for GPI is to divert and recycle glass containers to ensure that as many as possible are re-melted in the production of new glass containers.

GPI has established a 50% recycled content goal for the manufacture of new glass containers. Success in achieving that goal is largely dependent on the strength of the recovery systems that generate recycled materials purchased by our industry. GPI estimates that roughly 65% of recycled glass comes from the 10 states with beverage container refund programs. In addition, recent reports indicate that these same 10 states account for the recovery of nearly as many tons of all recyclables as the other 40, non beverage container refund program, states combined.

A prime reason for the success of these programs is that collected containers are kept separate from other recyclables, dramatically reducing contamination and providing them the best opportunity to return to a manufactured product. Accordingly, GPI

members are vigorously engaged at the local, state and federal levels to improve collection systems, the usability of quality of recyclables for manufacturers and better link collection systems with end markets.

We have read through the draft Report and have developed an initial list of concerns and questions that we trust will be considered and answered prior to the Report being finalized. Once we have had the opportunity to consider the draft Report more thoroughly, we anticipate submitting additional comments prior to the March 29<sup>th</sup> deadline.

### **Glass Packaging Institute (GPI) - Preliminary List of Issues & Concerns**

1. Lack of data on collection costs related to current or expanded single stream recycling for either single-family households or multi-family households.
2. Out of 270,000 VT households, under the new “comprehensive single stream system” 146,000 households would receive curbside recycling pick up (only 44,000 more than under current system) and 124,000 households would need to drop off recycling (same number of households assumed under current and “comprehensive” system). Given the large number of drop off households, recycling rates are overstated, when compared to other drop off participation rates around the country.
3. Lack of data on costs of creating the infrastructure needed to support the recovery rates estimated in Table 5 for universal single stream recycling.
4. It is unclear if the upfront capital costs of creating a “robust public recycling program,” including recycling away from home, the capital cost of state of the art MRFs, and drop off centers are included in the costs in Table 11.
5. Glass recovery rates assumed in Table 8 of 6% are less than the 6.5% attributed by the DSM Report to the Rutland MRF (which is a state of the art facility), cannot be replicated by other MRFs in Vermont (which the report admits do not supply recycled glass of a quality that can be used by glass container manufacturers), and do not include additional contaminants removed by glass beneficiators (which the report claims is 15-30 percent, but which we believe to be closer to 40%).
6. Third party redemption should not be considered a cost to consumers.
7. The assumed average cost to the consumer of 1.5 cents per container redeemed attributed to travel assumes a total trip cost and not a marginal cost.
8. It is unclear if the same consumer travel costs are included for the 124,000 households assumed by DSM to need to drop off recyclables under the “comprehensive single stream system.”
9. Page 19 of the DSM report states that because the recovery rates for the existing universe of deposit containers is high there is no room for increased recovery rates by expanding the universe of deposit containers. This statement assumes there is no potential for increased recovery of non-deposit containers, which is not an accurate assumption.

10. The report provides no basis for estimates made, such as the estimate of deposit containers sold and recovered (Tables 1 and 2), the estimate of the recovery rate of bottle bill materials if container deposits were replaced by a single stream system (Table 5), the estimated increase in returns under an expanded bottle bill (Table 4), the breakdown between residential and industrial/commercial materials (Tables 10, 11, 12, and 13).

11. Different assumptions are used in different tables. For example, the current recovery rate for glass is variably reported as 82% (Table 5), 62% (page 20), and 80% (derived from recovery rates in Table 3 and generation rate in Table 5).

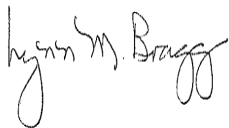
12. Under the DSM study, recovery rates of most materials go down under a comprehensive single stream system, except for paper products, which is expected to go up significantly. If increased paper recovery rates are the desired policy outcome, the legislature should look at a policy options for paper recycling rather than all recyclables.

13.) The report should consider the manufacturing costs and landfill costs associated with each type of recycling system analyzed, as these will vary depending on which recycling system is utilized. Residuals at the recovery facilities (MRFs) and the costs associated with their disposal need to be considered also for a comprehensive analysis.

We look forward to working the Department of Environmental Conservation, recycling, manufacturing industries, and all stakeholders to ensure that the most accurate and objective solid waste and recycling analysis can be reached by the state.

Please do not hesitate to contact me with any questions you may have.

Sincerely,

A handwritten signature in black ink that reads "Lynn M. Bragg". The signature is written in a cursive style with a large, looped initial "L".

Lynn M. Bragg  
President