

November 10, 2014

Cynthia Dunn,
California Department of Resources Recycling and Recovery (CalRecycle)
1001 I Street, Mail Stop 13A, P.O. Box 4025
Sacramento, CA 95812-4025

Dear Ms. Dunn:

On behalf of the Carton Council, I'm writing to provide feedback on the CalRecycle Packaging Workshop Background Paper, "Increasing Collection and Recovery of Packaging in California." The Carton Council is composed of four leading carton manufacturers, Elopak, SIG Combibloc, Evergreen Packaging and Tetra Pak, as well as an associate member, Weyerhaeuser. Formed in 2009, the Carton Council works to deliver long-term collaborative solutions to divert valuable cartons from the landfill, including significant investments in ongoing technical assistance, infrastructure development and educational support in California.

The Carton Council supports the goal of expanding recycling of all packaging materials, and we look forward to participating in the November 13, 2014 workshop. We appreciate CalRecycle's interest in implementing policies to increase cartons recovery in particular. However, we have some specific concerns related to the background paper's findings and analysis.

1. The White Paper misses an opportunity to build upon some important key outcomes from the 2012 multi-stakeholder packaging workshop.

In particular, CalRecycle cites the following key take-aways from the 2012 workshop, but does not fully consider them in the white paper:

- Infrastructure needs must be addressed (e.g., how to maximize existing, pay for additional, etc.)
- Need for engaging, educating and motivating the consumer
- Is there a role for harmonization of standards?
- Focus on and expand existing programs that work
- Need for metrics for program evaluation

We highlight these points because they are directly relevant to advancing the existing, large opportunity to increase California carton recycling by: A) Adding them to more residential curbside collection programs; B) Providing stronger, consistent, harmonized educational materials to consumers; and C) Shifting MRF practices to produce dedicated carton bales satisfying the Paper Stock Institute's Grade 52 specifications. (This is an accepted paper grade with consistent value typically higher than mixed residential paper, and which has strong demand by domestic and export mills that value the high-quality fiber in cartons for use in producing new products.) The Carton Council's work is consistent with the key outcomes from the 2012 workshop and offers an excellent opportunity for CalRecycle to build on that prior work and leverage industry efforts like those of the Carton Council.

2. The Carton Council was founded specifically to increase carton collection and recycling, and our members and stakeholders are very committed to this goal. However, we believe CalRecycle application of the main criterion of "significant portion of the waste stream" to identify cartons as a top priority packaging type for the state of California is flawed.

In short, CalRecycle has selected paper as a priority due to the overall volume of all paper packaging, but then singles out cartons, even though it is an extremely small portion of the paper packaging and broader disposal stream. According to U.S. EPA¹ approximately 550,000 tons of cartons were generated in 2012 in the U.S. Even without adjusting this figure for recycling (which is well beyond the negligible level) this amount is only 0.3 percent of the total 250.8 million tons of waste disposed, 1.5 percent of the 36.4 million tons of all packaging disposed, or 2.2 percent of the 38.0 million tons of paper containers and packaging disposed.

Interpreting CalRecycle statistics is difficult. Milk cartons appear in the 2008 waste characterization results as shown Table 7 under both the “other miscellaneous paper” and “remainder/composite” categories. We understand the ongoing statewide waste characterization update includes a distinct category for cartons. We ask that CalRecycle use preliminary data from this new study, or wait until it is complete to draw conclusions.

At the national level, EPA estimates that 550,000 tons of cartons are generated annually. We have no reason to believe that the percentages of cartons used in California are substantively different from U.S. averages. A simple population-based allocation would suggest that less than 67,000 tons of cartons are generated in California, and even lesser amounts disposed; therefore, the amount of cartons disposed in California is far less than the amount of glass or metal packaging disposed in the state. Assuming that all cartons are disposed of in California, which they are not, there is 84% more glass and 76% more metal packaging by weight in the waste stream than cartons. We note that CalRecycle has chosen not to prioritize glass packaging (with 425,000 tons disposed in California) and metal packaging (with 284,000 tons disposed in California). Even if all cartons generated were disposed (which they are not) cartons would comprise just 0.3 percent of the 22 million additional tons per year that CalRecycle estimates must be recycled in order to achieve the 75 percent statewide recycling goal. The focus on cartons in this document misses the mark in terms of where effort must be placed to meet the state’s goals.

3. It is unclear exactly how CalRecycle has used the secondary screening criteria to determine priorities.

The basis for the high, medium and low conclusions on each of the four secondary criteria, as presented in Table 5, is not clear and we question the secondary filter category ratings for cartons. We do not understand the criteria well enough to make a specific comment about cartons. Are these products being compared to one another? Is the total GHG impact being considered or the per-unit impact? How did CalRecycle use the results for each category to determine an overall pass/fail assessment? And, given that glass and metal tonnage disposed in California far exceeds carton disposal (as documented in #2 above), why are these material types excluded from this part of the screening?

4. CalRecycle cites a report by the advocacy group, Californians against Waste (page 12). Given we believe that this report has a number of inaccuracies that significantly mislead its reader; we do not feel this is appropriate.

¹ Municipal Solid Waste Generation, Recycling, and Disposal in the United States, Tables and Figures for 2012. http://www.epa.gov/wastes/nonhaz/municipal/pubs/2012_msw_dat_tbls.pdf

While CAW claims only 13 percent of California MRFs sort cartons, Carton Council² data indicates that 15-17 percent of California MRFs sort cartons. To further support carton sorting these are among the largest MRFs – and combined serve 30 percent of all California households with carton recycling access. CAW asserts that cartons don't get recycled when they are sorted with mixed paper, and that MRFs don't know what happens to the cartons because they are sold to brokers. We would like to point out that it is a common industry practice for other grades of paper, and other recycled materials, to be sold through brokers to be recycled; therefore one could make this statement about all brokered recyclable materials. Furthermore, studies show that cartons are recycled with good yield at mills abroad, including those that handle cartons as part of mixed paper. The Carton Council has worked with the Paper Stock Institute and recyclers to establish PSI-52, a standard paper grade dedicated to gable-top and aseptic cartons with strong demand domestically and in export markets, and which has a market value typically above that of residential mixed paper. The fact that PSI-52 is a dedicated grade comprised solely of cartons, and mills are purchasing the material, provides a solid basis for stating that cartons have sound market demand and are valued as a feedstock in producing new products.

5. Why did CalRecycle omit consideration of PET containers?

We do not understand why other container types were not included in the screening process, and therefore were not included as a priority package. This assessment should include all material types including PET, etc.

6. The white paper does not acknowledge or consider the significant ongoing investment the Carton Council is making to boost California carton recycling rates.

As noted above, the primary challenges for carton recycling are the need for more communities to add cartons to their residential curbside programs, implementing better and more consistent educational efforts, and shifting more MRFs to proactively sort cartons into the dedicated carton bale grade (PSI-52). The Carton Council maintains field staff active in California who work with local communities and MRFs in promoting carton recycling, and has provided funding directly to California MRFs to assist in securing equipment to make carton processing more efficient as well as funded carton recycling promotion campaigns. We believe the Carton Council's five-year old initiative is among the most substantive and successful of all U.S. voluntary stewardship efforts and should be noted along with the others that were mentioned such as the Closed Loop Fund and Recycling Partnership. When our efforts began, access to carton recycling in California was at 24 percent. Now, in 2014, 71 percent of California households have access to carton recycling. Nationwide, 52 percent of household can recycle cartons, which represents over 60 million households in 9,000 communities. With the rapidly growing trajectory in household access, it is difficult to establish the current recycling rate for cartons. However, we estimate the national rate to be over 10 percent and growing. CalRecycle should recognize this industry initiative in Table 1 and Appendix 1, and frame the workshop discussion for cartons around the question of how state policy can best work with these efforts to overcome the key barriers to advancing carton recycling. I would be happy to provide additional information to CalRecycle Staff to assist with this as needed.

² The Carton Council's full response to CAW is available at: <http://www.cartonopportunities.org/sites/default/files/files/Waste%20360%20Release%20-%20Statement%20re%20CAW%20Report%20FINAL.pdf>.

7. The specific policies that are highlighted do not seem to have been selected to address actual market conditions and barriers.

We will save discussion of policy options for the November workshop; but we note here that there does not seem to be a clear rationale for putting forth the specific policy options outlined in the white paper, other than CalRecycle's stated preference for mandatory approaches.

Most importantly, policies should be targeted to address specific barriers or other issues that are impeding recycling expansion or that otherwise take advantage of identified opportunities. In the case of cartons and several of the other identified priority packaging types, this means policies designed to strengthen collection and processing infrastructure are most needed, not policies that aim to increase demand for materials (such as minimum content legislation, which is not necessarily the most effective way to increase demand and can have unintended consequences including supply shortage, market pricing and greenhouse gas consequences).

8. CalRecycle should consider tradeoffs between policy options that drive recycling vs. support other long-term sustainable materials management goals.

We believe that CalRecycle should be exploring the potential for new types of policies that drive sustainable materials management goals. Such efforts should acknowledge and address the fact that sustainable materials management sometimes involves tradeoffs with recycling. For example, some new packaging options provide reductions in packaging weight but may not be recyclable or be made with renewable materials and they may have reduced transportation efficiencies. Other packages may have a good recycling profile but are not made with renewable materials or have a large carbon or water footprint. With respect to cartons, the majority of the material used in this package is made with renewable materials – materials that can be regrown or replenished naturally. Relatively little work has been conducted to identify and evaluate sustainable materials management policy options and how they relate to recycling, but we believe that this arena is ripe, given the potential to address a range of goals such as greenhouse gas emission reductions, water quality, renewable resource use and more.

The Carton Council commends CalRecycle for fostering discussion about packaging sustainability and recycling. We look forward to providing additional feedback related to policies and approaches during and after the November 13, 2014 workshop.

Regards,



Derric Brown, Vice President of Sustainability
The Carton Council