



Graphic Packaging International, Inc.
2600 De La Cruz Blvd
Santa Clara, CA, 95050

February 14, 2014

CalRecycle
1001 I Street
Sacramento, CA 95812-4025
ghgreductions@calrecycle.ca.gov

Subject:

Comments to Proposed CalRecycle Greenhouse Gas Reduction Grant and Loan Program

Reference:

CalRecycle Presentation Dated February 6, 2014

Dear CalRecycle:

Graphic Packaging International, Inc. (GPII), is pleased that CalRecycle is launching its inaugural grant and loan program. As a global firm with a commitment to sustainability, we are also pleased that the program is funded through the greenhouse gas fund and will be used to drive down greenhouse gas emissions through the diversion of organic, fiber, plastic, and glass wastes from landfills. With nearly 600 California employees, GPII operates a 100% recycled boxboard mill in Santa Clara, California, which is a critical part of the Northern California waste paper recycling system, as well as folding carton facilities in Irvine and Oroville. We believe that the new grant and loan program can have a great impact on improving the throughput of recycled waste paper that would otherwise go to landfill, thereby reducing greenhouse gas generation.

While there are many positive elements to this proposed grant and loan program, we note that program seeks only to fund projects that can be deployed now and research and development projects are not eligible. We recommend that research and development funding be considered. This much needed funding would ensure a pipeline of innovative solutions.



In order to construct a sustainable program, new ideas need to be continually nurtured and developed so that innovative concepts become off-the-shelf projects one day. Thus, we contend that the proposed program would be better served by dedicating a portion of its funding to research and development. The goal of such projects would be to achieve development that culminates in a demonstration scale project in California. This is the funding objective of clean energy research and development within the California Energy Commission. If this was the goal of funded research and development efforts at CalRecycle, such projects could then proliferate in following years under dedicated deployment-type funding as currently proposed. This approach will help California's recycle system become state-of-the-art.

An example of challenging problem is to create compostable food service packaging. Some initial clamshell products are available, but none handle oils and grease well. As a result, the market penetration of these first generation products has not been well accepted. Meanwhile, a significant amount of conventional plastic-lined food service packaging, which is not recyclable, is sent to landfills daily. As the top supplier of packaging to the food service industry, GPII has researched and is developing new compostable food service packaging. GPII would like to work with CalRecycle on the continued development of this revolutionary technology that can divert significant waste from landfills. GPII would be interested in ultimately introducing such a technology into the state of California.

We would recommend that CalRecycle increase the proposed level of funding to provide additional funds for research and development efforts. This approach would proactively enable technology to advance the development of California's recycle system and ensure that new concepts are developed for future deployment in outlying years.

Thank you for your consideration of these comments. Please contact me at (770) 240-7922 should you have any questions regarding these comments.

Sincerely,

A handwritten signature in black ink that reads "Andrew H. Johnson". The signature is written in a cursive, flowing style.

Andrew H. Johnson
Director, Government Affairs and Sustainability

Copies:

William Buchan, Market Potential, Inc.
Don Maddy, Maddy Government Relations