



Californians Against Waste

Conserving Resources. Preventing Pollution. Protecting the Environment.

November 4, 2013

Wayne Gjerde
Recycling Market Development Coordinator
Minnesota Pollution Control Agency
520 Lafayette Road N
St. Paul, MN 55155

Re: MPCA Container Deposit Draft Recommendation - Support

Dear Mr. Gjerde,

We want express our support for the thoughtful, 'out of the box' thinking that went into the beverage container recycling incentive system proposed by Minnesota Pollution Control Agency (MPCA).

While even critics acknowledge that financial incentives drive beverage container recycling levels 2-4 times higher than the best curbside recycling programs, there is a misperception that incentive schemes have a negative financial impact on curbside programs.

We believe that a recycling incentive and funding system along the lines of that proposed by MPCA can result in:

- Higher recycling rates (75%-85%) compared to just 50% in comparable 'curbside-only' communities;
- Higher quality/value recyclables.
- Lower costs per ton for both curbside and other collection programs;
- Higher net revenue per household (\$8-\$12/per curbside household).

Californians Against Waste is non-profit organization that has analyzed and help implement recycling funding and incentive systems for more than 35 years. Our experience with the California Beverage Container Recycling program has demonstrated that when incentives are market-based and fairly structured, curbside and other collection programs can see both lower processing costs and higher revenues.

Today in California, better than 80% of beverage containers are returned for recycling. And while California curbside programs handle only about one-third of beverage container volume per household as comparable communities without a Bottle Bill, California curbside programs typically realize more revenue per household for beverage containers compared to other communities.

In addition, the California beverage container program provides essential funding to curbside and is strongly supported by both local governments and program operators (including Waste

Management & Republic). In 2012, California curbside programs realized more than \$150 million in revenue from beverage container recycling—or about \$12 per curbside household. The key is that incentives follow the container through whatever recycling stream the consumer chooses to utilize.

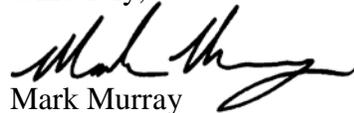
Contrary to public (and curbside operator) perception, nearly half (about 46%) of empty beverage containers generated away from home and generally not available for recycling at curbside. And even without state-mandated recycling incentives, many consumers choose to directly recycle (or donate) their empty aluminum cans for scrap value rather than leave at curbside. For example, in Seattle, which has comprehensive curbside recycling less than 20% of empty aluminum cans are recycled at curbside.

While the environmental benefits of bottle bill programs are well established, we can't stress enough the economic benefit of Bottle Bill programs. California's Bottle Bill program has helped created thousands of jobs, with over 200 processors, 2,400 buyback centers, 231 collection and drop off sites, and over 1,400 supermarket recycling centers. This infrastructure creates convenient recycling opportunities for consumers and clean sorted commodities for processors and manufacturers.

Furthermore, we are very supportive of the comprehensive scope of beverage containers proposed under the draft Bottle Bill program. This will help maximize litter reduction, recycling, greenhouse gas reduction, and economic benefits. In addition, the comprehensive scope will help prevent consumer confusion on what's in and what's out of the program.

Thank you for the opportunity to comment on the proposed Bottle Bill Program. Please feel free to contact me if you have any questions. I can be reached at murray@cawrecycles.org, or you can reach Teresa Bui, Policy Analyst at teresabui@cawrecycles.org.

Sincerely,



Mark Murray
Executive Director