



January 22, 2014

Wayne Gjerde  
Minnesota Pollution Control Agency  
520 Lafayette Road N  
St. Paul, MN 55155-4194

Dear Mr. Gjerde,

Conservation Minnesota is a statewide conservation organization focused on finding constructive solutions to problems that affect Minnesota's lakes, lands, and quality of life. In communications with our network of over 40,000 citizens, we consistently find that waste reduction is a broadly held concern for Minnesotans.

Most citizens are dismayed by the fact that, despite efforts to make recycling easier through single stream recycling and decades of education and work on recycling issues, less than half our beverage containers are currently recycled. We applaud the state's efforts to solve this problem.

The *Draft Recycling Refund System Cost Benefit Analysis* is a thorough and thoughtful analysis of the issue, and we welcome the study's findings that there are options that can effectively address the need to increase Minnesota's beverage container recycling rates, keep local governments whole, and at the same time create jobs in Minnesota.

We have the following comments on the draft cost benefit study:

- The finding that the draft program design would create over 1,000 jobs in Minnesota (page 23) should more clearly note that these are direct jobs and that there would be additional jobs created through indirect and induced employment benefits.
- The estimated cost of operations for the redemption centers (page 18) is high compared to systems in other states, which often have more complicated structures due to local requirements to sort by brand. The report should examine program costs in other states in more detail and could more clearly indicate that there are a number of factors, such as a hybrid system using at least some automated sorting as well as compacting technologies that would reduce square footage needs, that might enable these centers to operate at lower than estimated costs, thereby reducing the net cost to distributors.
- It is highly likely that many redemption centers will be combined with other collection operations or located adjacent to or with other businesses. In addition, some retailers will choose to operate redemption centers as a service to their customers. The study (footnote 4) notes this likelihood, but adopts a conservative approach that does not factor in the possibility of savings from such pairings. The study could more clearly state that there are significant cost and consumer transportation savings that will result from such combinations.



## CONSERVATION MINNESOTA

- We note that the current recycling rate for beverage containers as discussed in the draft cost benefit study (45%)(page 7) is higher than the MPCA's previous findings of 35% and 27%. It appears that in calculating rates, the consultant used a different methodology that does not factor in other data sets previously included by the MPCA. Because this shift in the reporting of recycling rates is confusing to the public, the final report should note all assumptions used in calculating the rates for all sectors and the existence of other data sets which were not analyzed in calculating the estimated rate.
- In addition to savings from reduced litter clean up (page 30), state and local authorities will also realize an undetermined amount from reduced waste services. For instance, parks crews will not have to empty picnic shelter garbage containers as often if there are few, if any, beverage containers in the waste.

Thank you for considering these comments. Again, we applaud the MPCA's efforts to address these complex but important issues.

Respectfully submitted,

Paul Austin  
Executive Director

