California Carpet Stewardship Update

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Presentation Covers

- AB2398 Overview
- Highlights of 2012
- Challenges
- Opportunities
- CalRecycle Director Expectations
Calif. Carpet Stewardship Program (AB 2398)

• Signed in 2010, industry supported, builds off national MOU (2002)

• Law addresses
  – goals, financing, enforcement
  – allows individual or collective programs

• CARE is the stewardship organization
  – Other stewardship orgs allowed after April 2015
  – Implementation started July 2011
  – Submitted plan to CalRecycle, conditionally approved Jan 2012, update due May 31, 2013
Overview (AB 2398)

• Goals
  – Goals increase
    • recycling of postconsumer carpet
    • diversion of postconsumer carpets from landfills
    • recyclability of carpets
    • incentivize the market growth of products made from postconsumer carpet
  – Goals in stewardship plan approved by state
  – Plan conditionally approved, goals still under consideration
Overview (AB 2398)

• **Financing**
  – Collect assessment -5¢/sq yd, visible on all receipts (July 2011-2016), about $5 million per yr
  – CARE distributes funds to
    • Qualified carpet processors/entities

• **Evaluation**
  – Annual report to CalRecycle, independent audits of program financing
Key Roles: Stewardship Organizations (CARE) / Mfrs

- Develop plans, fund and implement programs
- Determine financial approach
- Collect data & report on progress
- Adjust plan
- Show continuous meaningful improvement
Key roles:
State Government: Ensure Fairness

Oversight

— Review and approve stewardship plans
— List compliant manufacturers at website
— Review annual reports and check progress
— Ability to assess civil penalties to anyone in violation of any provision
Key Roles: Retailers

• Only sell product that is covered under an approved plan
  – Check list of covered manufacturers/brands
  – [www.calrecycle.ca.gov/Carpet/ManufactList.pdf](http://www.calrecycle.ca.gov/Carpet/ManufactList.pdf)
Carpet Materials Management

Why focus on carpet?

Discarded carpet is one of the 10 most prevalent waste materials in California landfills, comprising about 3.2 percent of waste by volume disposed of in California in 2008. Most carpet is made from nylon and other polymers derived from virgin fossil fuel. Fortunately, numerous products can be manufactured from recycled carpets, including carpet backing and backing components, carpet fiber, carpet underlayment, plastics and engineered materials, and erosion control products.

What is being done?

California is the first state to establish a private-sector designed and managed statewide carpet extended producer responsibility program. This program, started in 2011, follows producer responsibility principles to ensure that over time discarded carpets become a resource for new products in a manner that is sustainably funded and provides jobs for Californians. Several carpet recycling facilities currently operate in California, offering jobs, and producing products and feedstock for products made from recycled carpet.

What can I do?

Find out how Californians are sustainably buying and recycling carpet to keep valuable materials in our economy, and what you can do as well! Click on the links to learn more.

Information For...

Collectors

- Find Collectors/Processors
- Prepping Carpet for Collection (YouTube)
- Stacking Trailers with Carpet (YouTube)

Processors

Manufacturers

- Handling and Storage Guidelines
- Recycling Carpet
- Technical Information

Buyers

Retailers/Installers
Highlights of 2012
Conditional Plan Approval

Jan 2012 California Carpet Plan conditionally approved

- Revisit baseline, measurement methodology, and goals
- Fully implement the rural pilots
  - Pilots finished Feb 2013
- All audits performed in accordance with GAGAS
- Resubmit Plan by May 31, 2013
Highlights of 2012

• AB 2398 Statute, Regulations and Plan provide needed flexibility for industry to implement quality program

• Goals for recycled output being met, forecast positive
  www.calrecycle.ca.gov/carpet/program.htm (see “results”)

• Incentives encourage more processing

• Financial system: funds collected & distributed, helps processors

• Data system: data collected & analyzed, creates feedback

• Successful transition in CARE leadership

• Foundation exists to build from – a lot has occurred!
Recovered vs Recycled Output Trend Chart

Red lines represent Q4 2011 vs 2012 comparison

Source: CARE April 2013
Recycled Output Results Compared to Plan

Recycle output average over 6 quarters = 11.3%

- 2012 Goal 12%
- Q3 2011: 7.5%
- Q4 2011: 5.0%
- Q1 2012: 4.2%
- Q2 2012: 6.3%
- Q3 2012: 11.0%
- Q4 2012: 12.9%

As of Q4 2012, recycled output is 15.2% (27% above Goal)
Q4 Type 2 = 14% of recycled output vs. 22% in Q3

Source: CARE April 2013
Challenges

• Market Development – especially polyester
• Q1 2013 reduction in processing capacity in CA
• Education for Recycling Processors
  – Financial planning for uncertainty (project delay, market changes, etc)
  – Business records management
  – Installation of equipment
  – Overall regulatory issues, e.g., OSHA, materials handling & storage, fire, storm water
  – Clear terms and definitions
• Education carpet installers, building owners, etc.
• Most effective incentives
• Ebbs and Flows of Materials
• Storage, handling, permitting
California Construction and Demolition Transfer/Processing Regulatory Requirements

• C&D regulations approved in 2003
• Carpet - subset of Construction and Demolition (C&D) waste
• C&D can be received and processed without a solid waste permit if:
  – Source separated
  – 90% is recycled (only 10% goes to disposal, monthly average)
  – Not putrescible
  – Must be processed within 30 days of receipt, no material can be on site longer than 1 year
• Some processing facilities may need permits
  – Issued by Local Enforcement Agency
  – Different “tiers” based on tons received per day, some may require California Environmental Quality Act (CEQA) review
Opportunities

• Unused funds can be tapped to improve program and address challenges
  – $3.3 million in unused funds (to be addressed in May 2013 Plan update)
  – CalRecycle staff perspective:
    • Not enough resources on the ground in CA
    • Assistance “as needed” tends to be reactive. A full-time person could be proactive.

• Stewardship Plan is being updated
  – Goals, measurement, rural coverage, audits

• Law offers considerable flexibility
Director of CalRecycle Expectations

• May 2013     Updated Plan - fulfills intent of AB 2398
  – Increased quantitative goals lead to continual improvement in reuse, recycled output, diversion, & recyclability
  – Adequate collection and recycling opportunities in CA
  – Market development supports recycling system
  – All items in conditional approval are met
  – Adjustments: good uses found for unused funds (see challenges)

• July 2013     First annual report
  – Demonstrates benefits: jobs, environmental
  – Identify challenges
  – Offer solutions to challenges
  – Covers necessary elements (see regulations, section 18944)

• Continued collaboration
Good start with great opportunity!
CARE Carpet Contacts

- Dr. Robert (Bob) Peoples
  Executive Director
  Carpet America Recovery Effort (CARE)
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- http://carpetrecovery.org/AB2398.php
  (California Carpet Stewardship)

- http://carpetrecovery.org/contact.php
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