

**Draft Summary of the NEPSI Infrastructure Subgroup Conference Call
February 26, 2002
2:00 – 3:00 PM EST**

Members in Attendance:

Tony Hainault, MN OEA
Sego Jackson, Snohomish County
Julie Rhodes, ReDO
Scott Klag, Metro
Frank Coolick, NJ DEP
Dana Silverberg, NJ DEP
Christine Beling, EPA Region 1
Julie Rosenbach, EPA
Lucy Stanfield, EPA Region 5
Patty Dillon, Gordon Institute
Lynn Rubinstein, NERC
Sheila Davis, Materials for the Future
Reggie Caudill, NJIT
David Stizhal, NWPSC
Scott Cassel, PSI
Wayne Rifer, WEPSI (facilitator)
Gordon Hui, EPA (substitute note-taker)

The participants of the NEPSI Infrastructure Subgroup met via conference call on February 26, 2002, from 2:00 to 3:00 PM EST. This document briefly summarizes the major topics covered during the subgroup's discussions and highlights agreements that were reached.

Purpose of the Call

The purpose of this call was to attempt to conclude discussion on the base collection service standard; the next conference call would be used to decide the base transportation and recycling service standards. To date, not enough information has been collected to do the NJIT matrix. It was hoped that people in the mini-groups could complete their model work soon so that the matrix could be discussed next week.

With regards to the base collection service standard, Wayne Rifer identified 4 specific areas to address:

- 1) Convenience
- 2) Retailer Collection
- 3) Mail-back Collection
- 4) Standards and Flexibility

Flexibility Language

To address concerns regarding the prescriptiveness/flexibility of the standards, Wayne proposed the following language in the revised "Concept Proposal for Base Service Standards":

"These standards are not intended to prescribe which specific collection services shall be implemented in each community. Rather, they define a level or degree of

service that shall be, at a minimum, provided and compensated by a NEPSI financing mechanism. Local communities shall have flexibility.”

Frank Coolick mentioned that a concern of many stakeholders is that the costs need to be controlled. Sejo Jackson countered that the costs will be controlled by a per-pound or per-unit rate paid for specific services such as collection, reuse or recycling. There would not be reimbursement beyond that rate.

Scott Klag felt that the system should allow flexibility to achieve the rate at the same or below cost. If after a certain amount of years, the recovery rate was unacceptable, the prices paid could be revisited.

Reggie Caudill emphasized that the group needs to factor in more than rates or costs. What are we doing with this material? What we do at collection affects what happens later on and the costs of what happens later on.

Scott Klag added that the price per pound could be based on performance: the higher up the MSW hierarchy and the stronger the safeguards for recycling, the higher the rate.

When asked if the goal of the group was to produce a document by the DC NEPSI meeting, Wayne Rifer responded that this is the goal of the group. He hopes the group will talk through as much in the subgroup as possible before going to the full group.

Convenience Concept

To address the issue of convenience, as it applies specifically to permanent drop-off facilities in urban areas, Reggie Caudill developed a draft working paper for review by the group. The working paper defined convenience in terms of 3 key factors:

- 1) Travel Distance
- 2) Hours of Operation
- 3) Level of Service

Patty Dillon felt that Reggie did a good job of defining convenience. However, she felt that the wording about “unloading materials from participants’ vehicles” should be excluded. While this might occur in certain communities, many programs require consumers to actively participate in drop-offs by removing equipment from their vehicles and placing it in the proper containers. As an example, Patty cited Goodwill as an instance of “When I bring stuff to Goodwill, I bring it in.”

Frank Coolick offered a countering viewpoint and emphasized that people throwing computers into a dump or dropping CRTs into broken piles is not ideal. Providing the service of making sure that used electronics are handled correctly and go where they are supposed to go is important.

A call participant expressed concern about the level of detail provided by this document. Another participant expressed that, in the end, what we want is segregated material, but

we don't need to dictate how that occurs. As a result, Wayne Rifer proposed that the beginning of the paper be more outcome-oriented and not focused on specific service.

Sego Jackson also expressed concern about the unloading and pointed out that this level of service does not occur in Snohomish County. He was also uncertain whether sorting at the drop-off center was ideal as there may be greater efficiency in consolidating the material and having that material be sorted at a later point.

For next steps, Wayne Rifer proposed that the convenience working paper be edited to be more performance oriented.

Distance from Households

Reggie Caudill explained that this portion of the white paper was focused on determining what the right level of convenience is for a collection service area, especially what this would mean in terms of geographic area and distance. To help determine this, Reggie first went on the Internet to gather some basic census data on what is considered to be an urban area. According to the 2000 Census, a "metropolitan statistical area (MSA)" has an average population of 818,546, with an average of 328,611 households, and 210 square miles. Reggie's calculation showed the average travel mileage according to the number of drop-off centers within an urban area. The more centers, the less product they will handle, and the higher the cost at lower volumes.

Sego Jackson pointed out that the urban/suburban/rural distinction was extremely important in his discussions with others. Snohomish County looked at its own population to determine what level of service was needed. 100,000 people per center felt like good service; as such, Snohomish County has 600,000 people and 6 collection centers.

Wayne Rifer mentioned that Portland has approximately 800,000 people, which in the proposed scenario would mean that they would only have 2 drop-off centers. However, it is clear that there are more big box retailer locations than this. Scott Klag added that he would like to see the collection system be parallel with the retailer system. He is interested in getting retailers to potentially co-sponsor drop-offs and emphasized the need to look at how retailers are distributed in an area.

Several call participants felt the need for a base level of continuous service; service by retailers e.g. events would be supplemental and would not form the backbone of the system. A question was raised regarding whether assumptions were being made that government would be covering the base service and retailers would be covering the supplemental service. Wayne Rifer clarified that the document does not specify roles for various stakeholders. Sego Jackson furthered that service could be provided by traditional buyback centers.

A discussion about the appropriate service area continued. One participant re-emphasized that 100,000 people seemed to be the right service area. Frank Coolick recognized that certain stakeholders would take issue with a disproportionate number: Why have six drop-off centers when one will do? Wayne Rifer felt that Reggie's 3rd

option of 4 collection centers per a MSA made sense; 4 collection service centers in Portland would probably work.

Reggie Caudill pointed out that based on tonnage estimates, 4 centers would result in less than 200 tons of material per year. He was unsure whether that volume level justified a collection site.

As a next step, Wayne Rifer suggested that Reggie Caudill, Scott Klag, and Segoo Jackson should work offline to further develop the standard. No issues were raised regarding the Hours of Operation or Level of Customer Service language in the working paper. The working paper will be edited and resent. Infrastructure subgroup participants should read the paper in advance of the next call as it will be the first item on the next conference call.

Retailers

Christine Beling asked if the group was assuming that the communities will be stepping up or if the group should be pushing retailers. Frank Coolick emphasized that collection should not be placed solely on the community's responsibility. He found significant value in retailer participation. Another call participant seconded that the onus should not be placed on municipalities and government.

Sheila Davis suggested, rather than looking at timetables or service by population, the group should be more general. Convenience should be reflective of the number of opportunities available to purchase an item; the convenience of return should correspond to the convenience of purchase.

Tony Hainault indicated that this was consistent with the Norwegian model; if you sell it, you have to take it back.

Next call: The next call is scheduled for Tuesday, March 5, 2002. The call in number is 202/260-7280, and the access code is 7784#.

Assignments:

Reggie Caudill, Scott Klag, and Segoo Jackson will work offline to further develop the definition of convenience to make it more performance oriented and meet some of the other concerns expressed.