

AGENDA

Michael Hannon, **WMA President**
City of Newark, WMA, EC

Dave Sadoff, **WMA 1st Vice President**
Castro Valley Sanitary District, WMA

Tim Rood, **WMA 2nd Vice President**
City of Piedmont, WMA, EC

Dianne Martinez, **EC President**
City of Emeryville, WMA, EC

Jim Oddie, **EC 1st Vice President**
City of Alameda, WMA, EC

Deborah Cox, **EC 2nd Vice President**
City of San Leandro, WMA, EC

Keith Carson, County of Alameda, WMA, EC

Peter Maass, City of Albany, WMA, EC

Jesse Arreguin, City of Berkeley, WMA, EC

Don Biddle, City of Dublin, WMA, EC

Vinnie Bacon, City of Fremont, WMA, EC

Sara Lamnin, City of Hayward, WMA, EC

Bob Carling, City of Livermore, WMA, EC

Dan Kalb, City of Oakland, WMA, EC

Shelia Young, Oro Loma Sanitary District, WMA

Jerry Pentin, City of Pleasanton, WMA, EC

Lorin Ellis, City of Union City, WMA, EC

MEETING OF THE ALAMEDA COUNTY WASTE MANAGEMENT AUTHORITY (WMA) BOARD AND THE ENERGY COUNCIL (EC)

Wednesday, February 28, 2018

3:00 P.M.

**StopWaste Offices
1537 Webster Street
Oakland, CA 94612
510-891-6500**

Wendy Sommer, Executive Director

Meeting is wheelchair accessible. Sign language interpreter may be available upon five (5) days notice by calling 510-891-6500. Members of the public wanting to add an item to a future agenda may contact 510-891-6500.

I. CALL TO ORDER

II. ROLL CALL OF ATTENDANCE

III. ANNOUNCEMENTS BY PRESIDENTS - *(Members are asked to please advise the board or the council if you might need to leave before action items are completed)*

IV. OPEN PUBLIC DISCUSSION FROM THE FLOOR

An opportunity is provided for any member of the public wishing to speak on any matter within the jurisdiction of the boards or council, but not listed on the agenda. Total time limit of 30 minutes with each speaker limited to three minutes unless a shorter period of time is set by the President.

Page V. CONSENT CALENDAR

1 1. Approval of the Draft Minutes of January 24, 2018 (Wendy Sommer)

5 2. Annual Audit for Fiscal Year 2016-17 (Todd High)

The Programs & Administration Committee and the Planning Committee recommend that the WMA Board review, accept and file the Fiscal Year 2016-17 Annual Audit.

Staff recommends that the Energy Council review, accept and file the Fiscal Year 2016-17 Annual Audit.

VI. REGULAR CALENDAR

- 7**
- 1. Reusable Bag Law – Update (Meri Soll)**
This item is for information only.

 - 2. Interim appointment(s) to the Recycling Board for WMA appointee unable to attend future Board Meeting(s) (Wendy Sommer)**
(Planning Committee and Recycling Board meeting, March 8, 2018 at 4:00 pm, StopWaste Offices, 1537 Webster Street, Oakland, CA 94612)
- 9**
- 3. East Bay Community Energy Presentation (Jennifer West) (EC Only)**
This item is for information only.

VII. MEMBER COMMENTS AND COMMUNICATIONS FROM THE EXECUTIVE DIRECTOR

VIII. ADJOURNMENT

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**MINUTES OF THE MEETING
OF THE
ALAMEDA COUNTY WASTE MANAGEMENT AUTHORITY (WMA)
AND
THE ENERGY COUNCIL (EC)**

Wednesday, January 24, 2018

3:00 P.M.

**StopWaste Offices
1537 Webster Street
Oakland, CA 94612
510-891-6500**

**Teleconference
Dave Sadoff
Hilton Palm Springs
400 E Tahquitz Canyon Way
Palm Springs, CA
760-320-6868**

I. CALL TO ORDER

President Mike Hannon, WMA, called the meeting to order at 3:01 p.m.

II. ROLL CALL OF ATTENDANCE

WMA & EC:

County of Alameda	Scott Haggerty, WMA, EC
City of Alameda	Jim Oddie, WMA, EC
City of Albany	Peter Maass, WMA, EC
Castro Valley Sanitary District	Dave Sadoff, WMA (teleconference)
City of Dublin	Don Biddle, WMA, EC
City of Emeryville	Dianne Martinez, WMA, EC
City of Hayward	Sara Lamnin, WMA, EC
City of Livermore	Bob Carling, WMA, EC
Oro Loma Sanitary District	Shelia Young, WMA
City of Pleasanton	Jerry Pentin, WMA, EC
City of Newark	Mike Hannon, WMA, EC
City of San Leandro	Deborah Cox, WMA, EC

ABSENT:

City of Berkeley	Jesse Arreguin, WMA, EC
City of Fremont	Vinnie Bacon, WMA, EC
City of Oakland	Dan Kalb, WMA, EC
City of Piedmont	Tim Rood, WMA, EC
City of Union City	Lorin Ellis, WMA, EC

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Staff Participating:

Wendy Sommer, Executive Director
Tom Padia, Deputy Executive Director
Anu Natarajan, Legislative and Regulatory Affairs Manager
Karen Kho, Senior Program Manager
Richard Taylor, WMA Legal Counsel
Arliss Dunn, Clerk of the Board

Others Participating:

Arthur Boone

III. ANNOUNCEMENTS BY PRESIDENTS

There were none.

IV. OPEN PUBLIC DISCUSSION FROM THE FLOOR

There was none.

V. CONSENT CALENDAR

1. Approval of the Draft Minutes of December 20, 2017 (Wendy Sommer)

There was no public comment for the Consent Calendar. Board member Maass made the motion to approve the Consent Calendar. Board member Pentin seconded and the motion carried 13-0: (Ayes: Biddle, Carling, Cox, Haggerty, Hannon, Lamnin, Maass, Martinez, Oddie, Pentin, Sadoff, Young. Nays: None. Abstain: None. Absent: Arreguin, Bacon, Ellis, Kalb, Rood).

VI. REGULAR CALENDAR

1. 2018 Legislative Priorities (Anu Natarajan)

Confirm the legislative priority areas to include Extended Producer Responsibility (EPR), Organics Legislation and Regulation, and the Circular Economy.

Anu Natarajan provided an overview of the staff report. A link to the report is available here:

[2018-Legislative-Priorities-01-24-18.pdf](#)

Ms. Sommer announced that the agency was awarded \$500,000 in funding from CalRecycle for our Food Waste Prevention and Rescue program. Livermore and Oakland schools will be able to make a bigger dent in tackling food waste by increasing food recovery efforts. Project partners also include ALL IN Alameda County and StopWaste.

Board member Haggerty inquired about the impact of cannabis in the organics waste stream going forward. Ms. Natarajan stated she is not aware of the impacts, but will continue to be on the lookout for any such issues. Board member Carling commented that the Right to Repair bill sounds exciting but inquired about the potential impact as you can also find information on how to repair items on YouTube. Ms. Natarajan replied that the legislation would provide more options for consumers by requiring manufacturers to release repair information to the public and sell spare parts to owners and independent repair shops. Board member Lamnin inquired if there was legislation or attention to options that decrease reliance on overseas manufacturing use of recycled materials in light of the volatility of the China market that would lead to increased opportunities for production of recycled content materials in the United States. Ms. Natarajan stated that she is unaware of any bills that specifically address those issues but we will keep an eye out for such legislation. Mr. Padia stated that there is movement including some mandates for minimum post-consumer recycled content in certain products. He added that it is somewhat indirect but it is seen as a driver to incentivize manufacturers that if a material wasn't available in sufficient quantity or at the price

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point that they were seeking on the international market to perhaps build capacity domestically. Board member Lamnin inquired if it made sense for the organization to partner with the League of California Cities with regard to pension and healthcare costs to bolster organizational health. Ms. Sommer stated that the agency is consistently cognizant of these and other administrative issues.

President Hannon opened the floor for public comments. Arthur Boone commented on the hundreds of tons of materials including burned trees from the North Bay fires and stated that we should keep abreast of the measures utilized to divert these materials. Mr. Boone added the agency should be involved in the bottle bill redemption system and its operations.

President Hannon asked for clarification on the statement *“In June 2016, the Board adopted a motion to authorize the Executive Director to take positions on bills in accordance with Agency’s adopted priority areas, with a notice to the Board within three business days of a letter taking a position”*. Ms. Sommer stated that the Executive Director was given the ability to take action on legislation that required action during a time that the Board was not meeting and the Executive Director would provide to the Board any letters of support or opposition that were submitted. President Hannon inquired if there was consideration for consumers to pay a modest refundable deposit fee when purchasing a mattress as with the tire industry. Mr. Padia stated yes, but due to the passage of Prop 26 and the constraints on government fees and taxes, the mattress industry under the California product stewardship legislation voluntarily imposes a fee on sales of its own products. The fee was initially \$11 per unit (mattress or box spring) but was reduced to \$10.50. President Hannon commented that as legislation goes forward that there is not an unreasonable burden put on local cities in terms of mandates that cities would not have adequate staffing to address. Ms. Natarajan stated that the agency works closely with jurisdictions to ensure that they are aware of the impacts of implementation and works with them to send out comment letters. President Hannon congratulated staff on being awarded \$500,000 from CalRecycle for Food Waste Prevention and Rescue program and added it shows the outstanding work of staff in seeking out opportunities to bring revenue into the agency to help us meet our goals and priorities.

Board member Carling made the motion to approve staff recommendation. Board member Pentin seconded and the motion carried 13-0: (Ayes: Biddle, Carling, Cox, Haggerty, Hannon, Lamnin, Maass, Martinez, Oddie, Pentin, Sadoff, Young. Nays: None. Abstain: None. Absent: Arreguin, Bacon, Ellis, Kalb, Rood).

2. Overview of Local Government Efforts Concerning Plastic Straws (Anu Natarajan)

This item is for information only.

Anu Natarajan provided an overview of the staff report and presented a PowerPoint presentation. A copy of the report and the presentation is available here: [Straw-Ban-01-24-18](#). Ms. Natarajan showed an excerpt of video documentary entitled “Straws” A link to the video is available here: [STRAWS](#).

Board member Cox commented that she is working with the CAL Rare, a rare disease caucus in Sacramento, and stated that some disabled individuals need plastic straws and that she would support a ‘straws on request’ bill. Board member Maass inquired about the price-point difference between plastic versus paper straws, and is there information on the difficulties of using reusable metal straws. Ms. Natarajan stated that she will research information on the price-point differences and provide the information to the Board. With regard to reusable straws, San Francisco restaurants have seen a 23% decrease in the use of straws simply with a sign displaying that straws are provided only on request. Board member Pentin inquired about the cause and effect to establishments that offer large drinks with large straws, such as Starbucks. Board member Oddie stated that Alameda had heard from 7-Eleven stores and that helped to influence the ‘straws on request’ model. Ms. Natarajan added we are waiting to see what the Seattle ban includes and any impacts to Starbucks. Board member Haggerty inquired if there is information on a cost analysis to determine the cost to restaurants in moving from plastic to compostable utensils. Ms. Sommer stated that

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the consideration is not only for price-points to restaurants but also to ensure that the composting facilities serving Alameda County can process those materials. Ms. Sommer added this is a good topic for strategic planning which will occur in November 2018. Board member Oddie recalled one of the businesses from the Business Recognition Event stated that they had switched from single use straws to metal straws and saw an increase in savings. President Hannon thanked Ms. Natarajan for her presentation.

3. Interim appointment(s) to the Recycling Board for WMA appointee unable to attend future Board Meeting(s) (Wendy Sommer)

(Planning Committee and Recycling Board meeting, February 8, 2018 at 7:00 pm, San Leandro Senior Community Center, 13909 E. 14th St, San Leandro CA 94578)

There were no requests for an interim appointment.

EC President Dianne Martinez chaired the EC agenda items.

4. 2018 PG&E Local Government Partnership Contract (Karen Kho) (EC Only)

Adopt the attached Resolution authorizing the Executive Director to enter into a 2018 contract agreement with PG&E to continue the administration of the East Bay Energy Watch Strategic Advisory Committee and programmatic coordination in 2018 and other related actions.

Karen Kho provided a summary of the staff report. A link to the report is available here:

[PGE-EBEW-Contract-01-24-18.pdf](#).

There was no public comment on this item. Board member Haggerty made the motion to approve the staff recommendation. Board member Hannon seconded and the motion carried 12-0 (Ayes: Biddle, Carling, Cox, Haggerty, Hannon, Lamnin, Maass, Martinez, Oddie, Pentin. Nays: None. Abstain: None. Absent: Arreguin, Bacon, Ellis, Kalb, Rood).

5. BayREN Contract Amendments (Karen Kho) (EC Only)

Adopt the attached Resolution authorizing the Executive Director to enter into all necessary contracts and agreements with ABAG and make any necessary changes to the FY 2017/18 budget for Project 1347:BayREN.

Karen Kho provided a summary of the staff report. A link to the report is available here:

[BayREN-Amendments-01-24-18.pdf](#)

Board member Lamnin asked for clarification on the \$45,000 for multifamily financing assistance. Ms. Kho stated that ABAG would be providing the funds (not our agency).

There was no public comment on this item. Board member Oddie made the motion to approve the staff recommendation. Board member Maass seconded and the motion carried 12-0 (Ayes: Biddle, Carling, Cox, Haggerty, Hannon, Lamnin, Maass, Martinez, Oddie, Pentin. Nays: None. Abstain: None. Absent: Arreguin, Bacon, Ellis, Kalb, Rood).

VII. COMMUNICATION/MEMBER COMMENTS

Ms. Sommer distributed a copy of the monthly topic brief on Package Labeling. The topic brief is also available on the StopWaste website at this link: [Packaging Labeling](#). Board member Martinez thanked the Board for allowing the CivicSpark program to continue and announced that the work on climate change performed by the city of Emeryville CivicSpark fellow was used as best practice by the state.

VIII. ADJOURNMENT

The meeting was adjourned at 3:52 p.m.

DATE: February 28, 2018

TO: Waste Management Authority Board
Energy Council

FROM: Wendy Sommer, Executive Director

BY: Todd High, Financial Services Manager

SUBJECT: Annual Audit for Fiscal Year 2016-17

SUMMARY

On February 8, 2018, the Programs and Administration Committee and the Planning Committee/Recycling Board heard a presentation of the Fiscal Year 2016-17 Annual Audit, which now comes to the Waste Management Authority Board and Energy Council for acceptance and filing.

DISCUSSION

By a vote of 7-0 (Absent: Arreguin, Bacon, Biddle, Ellis, Kalb) the Programs & Administrative Committee reviewed and recommended to forward the Fiscal Year 2016-17 Annual Audit to the Waste Management Authority for review, acceptance and filing. By a vote of 10-0, the Recycling Board reviewed and accepted for filing the Fiscal Year 2016-17 Annual Audit.

The Financial Statements were presented in Comparative Format (two fiscal years) and the Management's Discussion and Analysis was expanded to provide additional financial information. There were no audit exceptions or material deficiency findings. Additionally, there were no recommendations for improvements in internal controls. The report submitted to the P&A and the Planning Committee/Recycling Board can be found at: [FY 16-17-Audit-Report-2-8-18.pdf](#).

RECOMMENDATION

The Programs & Administration Committee recommend that the WMA Board review, accept and file the Fiscal Year 2016-17 Annual Audit.

Staff recommends that the Energy Council review, accept and file the Fiscal Year 2016-17 Annual Audit.

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DATE: February 28, 2018

TO: Waste Management Authority Board

FROM: Wendy Sommer, Executive Director

BY: Meri Soll, Senior Program Manager

SUBJECT: Reusable Bag Law - Update

SUMMARY

In October 2016, the Waste Management Authority Board expanded the Reusable Bag Ordinance (2016-2) to include all retail stores and eating establishments. The expansion promotes reusable bags to reduce waste and litter. At the February 28 WMA meeting, staff will provide the Board with an update on implementation of the expanded law, including effectiveness and enforcement activities.

DISCUSSION

The Reusable Bag Ordinance was first passed by the WMA in December 2012, which went into effect January 1, 2013, and applied to 1,300 grocery, drug and liquor stores in Alameda County. The ordinance was very successful – the number of shoppers bringing their own bag, or not using a bag more than doubled and the number of bags found in storm drains decreased by 44 percent.

Given the effectiveness of the ordinance, in October 2016 the WMA amended it to include all retail stores and eating establishments. The expansion added an additional 12,700 stores and restaurants affected by the ordinance.

Expanded law requirements:

- As of May 1, 2017 all retail stores are required to:
 - Stop distributing single-use plastic bags
 - Start charging a minimum of 10 cents per compliant bag (paper and reusable, including thick plastic reusable bags)
 - Itemize the charge on customer’s receipt

- As of November 1, 2017 all eating establishments are required to:
 - Stop distributing single-use plastic bags
 - Start charging a minimum of 10 cents per compliant reusable bag (including thick plastic bags)
 - Itemize the charge on customer’s receipt
 - May provide paper bags to customers free of charge

Two separate mailings were sent to all affected entities well in advance of law implementation dates. Mailings included detailed information regarding new law requirements, resources for more information on compliant bags, signage (postcards) and technical assistance opportunities.

To assist with outreach activities, a part-time Outreach Associate was hired to conduct technical assistance visits to newly affected stores and eateries. Since February, 2017 more than 900 retail stores and 700 eating establishments have been visited throughout the county in an effort to educate affected entities about the expanded law.

As of November 1, 2017 complaint based enforcement activities for retail stores began. To date, 63 retail store inspections have been conducted, which resulted in 37 stores being identified as out of compliance. Notifications regarding non-compliance have been sent and progressive enforcement procedures will be followed to ensure compliance.

Staff has continually conducted a variety of activities to assess ordinance effectiveness. The most recent data collected in December, 2017 shows that the ordinance continues to be effective in changing consumer behavior. Surveys at newly affected retail stores show a large decrease in bags distributed at point of sale (60% fewer bags) as well as a large increase of shoppers bringing their own bag (90% increase).

RECOMMENDATION

This item is for information only.



DATE: February 28, 2018
TO: Energy Council
FROM: Wendy Sommer, Executive Director
BY: Jennifer West, Program Manager
SUBJECT: East Bay Community Energy Presentation

SUMMARY

East Bay Community Energy (EBCE) staff will present on recent EBCE board actions and the upcoming launch in June 2018.

DISCUSSION

Energy Council and EBCE staff have been in touch regularly and presented updates at the monthly Energy Council Technical Advisory Group meetings.

As EBCE is preparing for the official launch of the program in a few months, staff are reaching out to Alameda County communities and stakeholders to offer an overview of EBCE. Specifically, they want to introduce the energy options available through EBCE and present details of the program.

RECOMMENDATION

This item is for information only.

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**March 2018
Meetings Schedule**

**Alameda County Waste Management Authority, The Energy Council, & Source Reduction and
Recycling Board**

(Meetings are held at StopWaste Offices unless otherwise noted)

SUN	MON	TUES	WED	THURS	FRI	SAT
				1	2	3
4	5	6	7	8 9:00 AM Programs & Administration Committee 1. Per Diem Policy <hr/> 4:00 PM Planning Committee & Recycling Board StopWaste Offices Key Items: 1. Quarterly Cash Report 2. Rules of Procedure	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28 3:00 PM WMA Board & Energy Council Key Items: 1. Quarterly Cash Report 2. Conservation Easement 3. Unfunded Liability/ Transportation Improvement Program Discussion	29	30	31

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MEETING NOTES

Energy Council TECHNICAL ADVISORY GROUP (TAG)

Tuesday, February 20, 2018 – 1:00 pm to 3:30 pm

Attendance:

City of Alameda: Maria DiMeglio (phone)

City of Albany: Claire Griffing (phone)

City of Berkeley: Caytie Campbell-Orrrock

City of Dublin: Rebecca Parnes

City of Emeryville: Nancy Humphrey

City of Fremont: Rachel DiFranco

City of Hayward: Erik Pearson

City of Oakland: Mukta Kelkar (Climate Corps)

City of San Leandro: Sally Barros

City of Union City: Avalon Shultz (phone)

StopWaste: Jennifer West, Miya Kitahara, Candis Mary-Dauphin, Ben Cooper, Jeffery Liang

Guests: Dan Lieberman, EBCE; Deidre Sanders, EBCE

Meeting Notes

Grid Modernization Webinar, Local Government Commission (1:00 – 2:00 pm)

East Bay Community Energy (EBCE)

- East Bay Community Energy products and rates were set at the February 7 board meeting. The launch for commercial and municipal accounts will happen in June 2018. The board selected 2 options for customers that will be available at time of launch Bright Choice and Brilliant 100. Additional options will be added down the road.
- Two notification letters will go to customers in advance of enrollment, and two following enrollment.
- Commercial and municipal customers will be automatically enrolled in Bright Choice. This product is priced 1.5% lower than the electric generation component of PG&E bill. The mix of resources for this product is 85% carbon free: 38% CA eligible RPS renewables, 47% large hydro. The other 15% is unspecified, and will remain flexible.
- The second option that will be available upon launch in June is Brilliant 100. This product is 100% carbon free and priced at parity with PG&E's carbon free option – with the PCIA and franchise fee included.

- EBCE plans to develop a 100% renewable option, and aims to have it available by the time of the residential launch, which is set for around October 2018.
- The Local Business Development Plan is still being finalized with stakeholder feedback.
- Cities can opt up to Brilliant 100.
 - Multiple cities suggested it is more realistic to opt up around the time of launch, and plan a coordinated press release then.
 - Dan offered municipal bill analysis to estimate new electricity costs. Jurisdictions should reach out to Dan for an analysis and discuss assumptions in his model.
- Some cities would like to see a 100% renewable default option, and also a 100% local power option.
 - The timing is already too tight for putting together a Brilliant 100 opt up default option for commercial accounts. Dan is engaging with businesses to let them know that they'll be enrolled in Bright Choice.
 - Nancy expresses disappointment that there is not time to offer a Brilliant 100 opt up default option.
- Dan has offered to send collateral for cities and requested city support in connecting with some commercial customers.
- Introduction of new staff: Deidre Sanders is heading up government and community affairs. She will be working with community advisory committee. Prior to this position, she was an Environmental Justice Manager at PG&E. Dsandere@ebce.org.

BAAQMD Funding Opportunity

StopWaste will be submitting comments by 2/23/18 on Draft procedures and guidelines for the 2018 Climate Protection Grant Program. Call for projects in March 2018, due in April?

Ideas for grant submission include:

- StopWaste plans to submit a proposal under the electrification category – a BayREN coordinated effort around Heat Pump Water Heaters (HPWH) bundled with solar and EV charging infrastructure.
 - It is intended to make electric HPWHs more affordable with mid-stream incentives for distributors. It would help partners work together to make residential electrification easier.
 - With Sunshares collaboration this effort would be focused on contractor education and business to business collaboration.
 - BayREN could create a uniform program design for CCA's, inviting them to fund it going forward.

- Palo Alto has offered a mid-stream incentive, and might have program design recommendations for municipal power, like the city of Alameda.
- Go Green San Leandro/ Fremont Green Challenge expansion.
 - This would go in the innovation category.
- Municipal EV charging as a system of distributed energy resources (DER)
 - With Fremont as lead - San Leandro, Berkeley, Emeryville, Alameda County, Optony, DNV-GL would be possible partners.
 - Planned to fall into the innovative strategy
 - Fremont is looking at the costs of battery storage and of EV charging, versus business as usual.
- StopWaste will likely submit a proposal that deals with the carbon intensity of food and/or goods and consumer-based emissions.
- Berkeley is looking at an electrification component of Building Energy Savings Ordinance (BESO) – adding electrification to the BESO template and training assessors on sharing the recommendations on electrification.
- Emeryville is considering two ideas.
 - Improve the city hall building envelope.
 - A proprietary street light charging technology project. This technology allows for integrating charging outlets on streetlights, and each customer has a proprietary plug that can link use to specific customer account. This would be a pilot for a jurisdiction putting this infrastructure in place without having a municipal utility.

Member Comments & Discussion

- Some thought that the BAAQMD discussion was helpful, and would like to have a follow-up conversation in March. Could be in smaller groups.
- Would still like to have the TAG Microgrid 101 conversation at a future meeting.
- Some found the Grid Modernization webinar useful, and would like to listen to the next webinar on 3/20/18.
- There have been changes in the way PACE providers are required to report out on PACE. It would be helpful to have an info session on PACE.
- Three electrification bills were introduced last week. There is a summary in Dropbox.
- Info on Heat Pump Water Heater webinar 2/21/18.
- PG&E's EV charging program is being heavily marketed in some cities. Mixed reaction from cities. There's been a great deal of interest from commercial properties in some cities.

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From Green Fence to red alert: A China timeline

 resource-recycling.com/plastics/2018/02/14/green-fence-red-alert-china-timeline/

By Editorial Staff



Since the summer of 2017, one international issue has been at the forefront of North American recycling conversations: China's ban on the import of certain recovered materials, including a range of plastic types.

Chinese leaders formally announced their import intentions in a notice to the World Trade Organization in July of 2017, and the ban went into force at the start of 2018. But events going all the way back to the start of the country's Green Fence customs crackdown in 2013 in many ways foreshadowed more recent moves.

To help stakeholders get a firm grasp on the Chinese import policies that are reshaping materials recovery around the planet, we're offering a timeline of events related to the market phenomenon. This tool will be continuously updated as Chinese restrictions evolve and as stakeholders in the U.S. and elsewhere respond.

February 2013: Green Fence goes up

China [launches intensive inspections](#) of incoming loads of scrap material, a policy that is in fact an effort to enforce import regulations passed in 2006 and 2010. Though it is officially slated to end in November 2013, insiders note it could be restarted at any time.



November 2015: Another two-month customs crackdown

Chinese authorities frame this effort as one looking to ensure Chinese scrap processors are handling material according to the procedures laid out in their individual licenses. This initiative is seen as different from Green Fence because it inspects importer practices and not loads on the dock.

February 2017: National Sword announced

This Chinese action has a specific focus on halting smuggling operations, meaning those groups using illegal permits to import materials. Inspection scrutiny is directed toward bales of low grade plastics as well as paper with high moisture content.

February - March 2017: Tightening the screws

Enforcement action is heightened on criminal activity, particularly permit fraud inside China. Authorities arrest 90 suspects and confiscate 22,100 metric tons of foreign scrap material in the first weeks of National Sword enforcement.

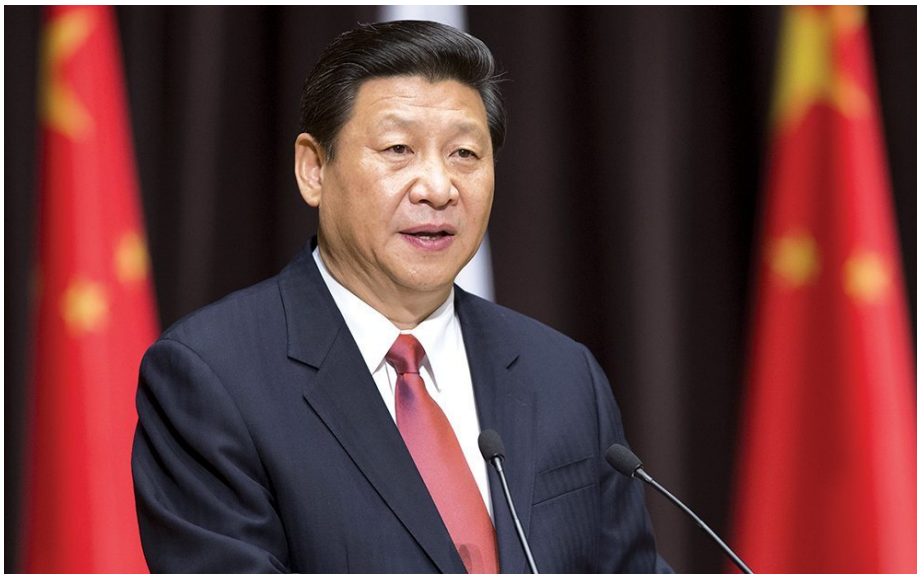


Early-April 2017: Pivot back toward quality

Reports out of China indicate National Sword is also being used to assess overall material quality, not just the legality of permits used to import loads. Customs officials are believed to be checking every container entering the country at certain ports, which causes delays for material shippers.

Mid-April 2017: A ban on the way?

A meeting of top Chinese leaders, including President Xi Jinping (below), covers environmental reform possibilities. Delegates recommend “regulations should be enhanced to ‘significantly’ reduce the categories and volume of waste imports,” according to a state media report. The China Scrap Plastic Association’s Steve Wong, who was in attendance, says government officials suggested “a ban on solid waste imports by category.”



Late-April and Early-May 2017: Export unrest

Exporters describe import fees doubling over the course of a few weeks and extreme challenges in trying to move materials into China.

Late-May and Early-June 2017: Searching for answers

Officials from U.S. trade group the Institute of Scrap Recycling Industries (ISRI) travel to China and confirm that the National Sword effort and the possible materials ban seem to be separate policies, even though they are becoming increasingly intertwined. ISRI also reports Chinese authorities are looking at the materials ban as a way to increase China’s domestic recovery industry.

Mid-June 2017: ‘Sword’ enforcement continues

Another large raid by Chinese authorities leads to 85,000 metric tons of material seized and members of smuggling groups arrested.



Mid-July 2017: Pointing out polluters

Yet another round of import enforcement begins in China, this time focused specifically on facilities without proper pollution control measures in place, according to reports out of China.

July 18, 2017: FYI at WTO

China confirms its intent to ban certain recyclables from import by filing a notice with the World Trade Organization. The announcement indicates the country will ban imports of recovered mixed paper; recycled PET, PE, PVC and PS; textiles; and vanadium slag by the end of 2017. Major exporters quickly begin analyzing the potential market disruption.

July 27, 2017: Specifying post-consumer materials

China elaborates on the ban, noting it will cover post-consumer plastics, unsorted mixed paper, textiles, select trace metals, and more. A policy document issued by the government also describes a larger plan to stop importing recovered materials that can instead be recovered domestically.

Late-July 2017: Impossible demands?

Chinese officials propose updates to national specifications known as Guobiao (GB) standards, which would set a maximum contamination level of 0.3 percent for imported loads of recyclables.

Mid-August 2017: Slowing bale movement

U.S. exporters report that their Chinese buyers have not received new import permits for any recyclable materials since May. This begins a dramatic slowing of shipments to China, including shipments of materials not named in the WTO ban filing.



Late-September 2017: Repercussions at the curb

The fallout from the import restrictions reaches municipal programs and materials recovery facilities (MRFs) in the U.S. Some companies report they are stockpiling materials without a downstream outlet. Others seek changes to contracts with local governments to minimize financial risk.

Early-October 2017: Landfilling recyclables

Without an alternative downstream outlet, companies in the Pacific Northwest turn to landfilling some recyclables. Some programs stop accepting certain mixed plastics and seek exemptions to landfill bans. In other cases, municipal programs hesitate to make major changes to the materials they accept, due to the efforts that would be needed to reintroduce those materials in the future.

Early-October 2017: Falling fiber values

Prices for old corrugated containers (OCC) plummet dramatically due to the lack of import permits. OCC was not named by China as a material that will be banned, but it is impacted because import permits have not been renewed in nearly five months.



Throughout October 2017: Word gets out

The impact of China's regulatory changes hits the mainstream media in a big way, with CNN, Reuters, The Wall Street Journal and countless local news outlets nationwide devoting space to the topic. The import restrictions also receive attention from the U.S. World Trade Organization delegation and the U.S. Department of Commerce.

Late-October 2017: Sortation response

MRF operators report they are pushing for quality, and doing so by hiring more workers, installing new equipment or slowing their sort lines.

November 2017: To the limit

China proposes – and later finalizes – an allowable limit of 0.5 percent contamination for most recyclables that are not named in the ban. Industry experts almost universally describe this as an unattainable level and therefore basically a ban on those materials as well.



December 2017: Swirl of perspectives

Chinese environmental regulators publicly reaffirm their commitment to the ban, and a top official says there will be a campaign similar to National Sword enacted each year through 2020. Meanwhile, after a visit to Asia, ISRI officials report that China is not ready to implement the ban and doesn't understand the impact it will have.

January 2018: Chinese eye options

Plastics recycling operations in China announce they are looking to invest in processing infrastructure in the U.S. and elsewhere in order to stay in business. Many exporters of material to China also announce they are shifting shipments to Southeast Asia. In a related development, trade statistics show Vietnam, Malaysia and India all significantly increase scrap plastic imports from the U.S.

December 2017 to January 2018: Key permit details

The first five rounds of 2018 import permits are issued for Chinese importers. Plastic imports are extremely limited.

Late-January 2018: California reeling

CalRecycle, the state agency in charge of California materials diversion, devotes significant time to China's import policies at a monthly meeting, and data and perspectives shared during the discussion make it clear significant impacts are being felt in the Golden State. "It's a day-to-day battle of moving this material," says one MRF operator. "We can only warehouse it so long and then it has to go to landfill."



Feb. 1, 2018: Industry giants open up

The import issue takes center stage at Waste Management's annual Sustainability Forum. WM recycling chief Brent Bell notes the hauler and MRF operator is making investments to garner cleaner material, and Myles Cohen of Pratt Recycling calls for a "moratorium on new items" added to curbside programs.