

Please connect your audio and join.

Join

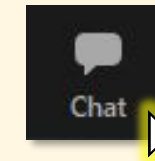
Connect Audio & Join



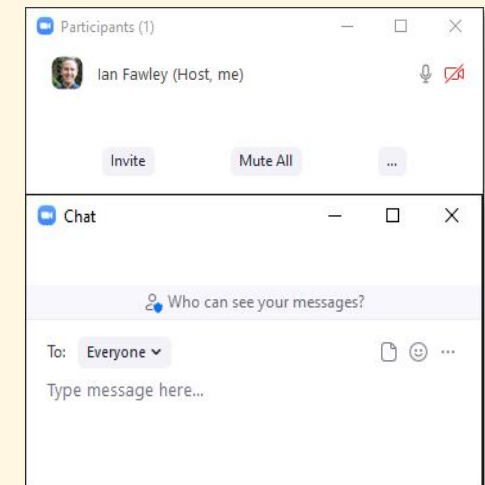
Tip Try your computer audio *first*.

If you'd like, you can test your speaker and microphone *before* joining.

Participate



Question?
Need help?
Chat with us!



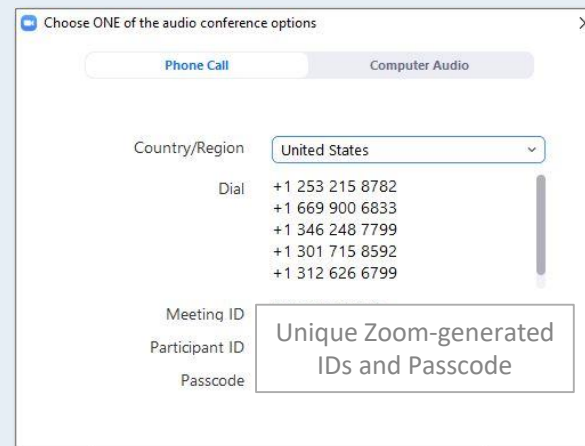
Turn on the Chat box and Participant list from your toolbar.

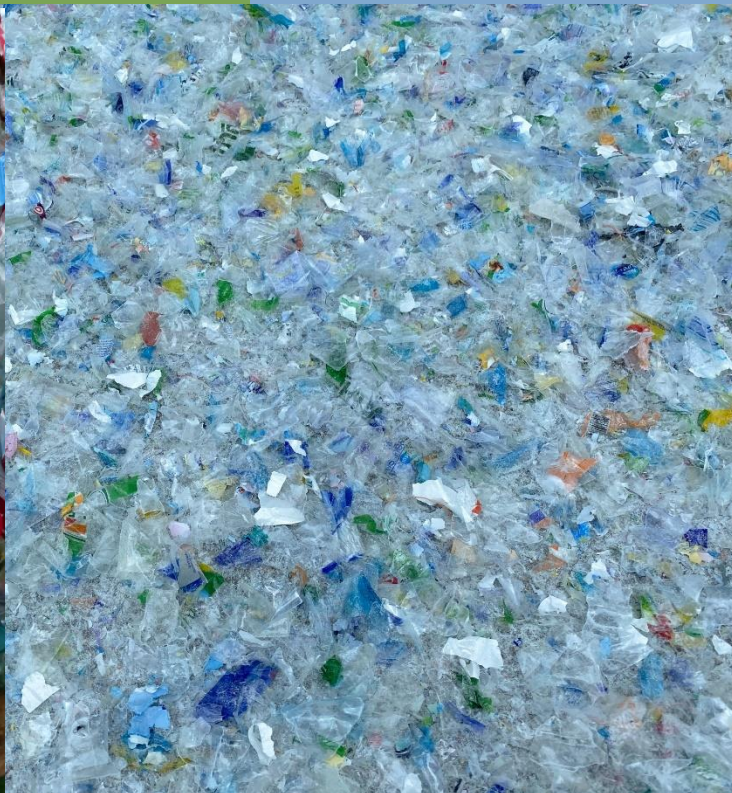
Audio

A Best Option: Use computer for audio

B If selecting "Phone Call"...

- Dial: **253-215-8782 (Tacoma)**
- Enter Zoom Meeting ID **836 9470 8430**, followed by "#"
- Enter your unique Zoom Participant ID, followed by "#"
- (If you do not enter the Participant ID, you will be prompted to enter the Passcode.)





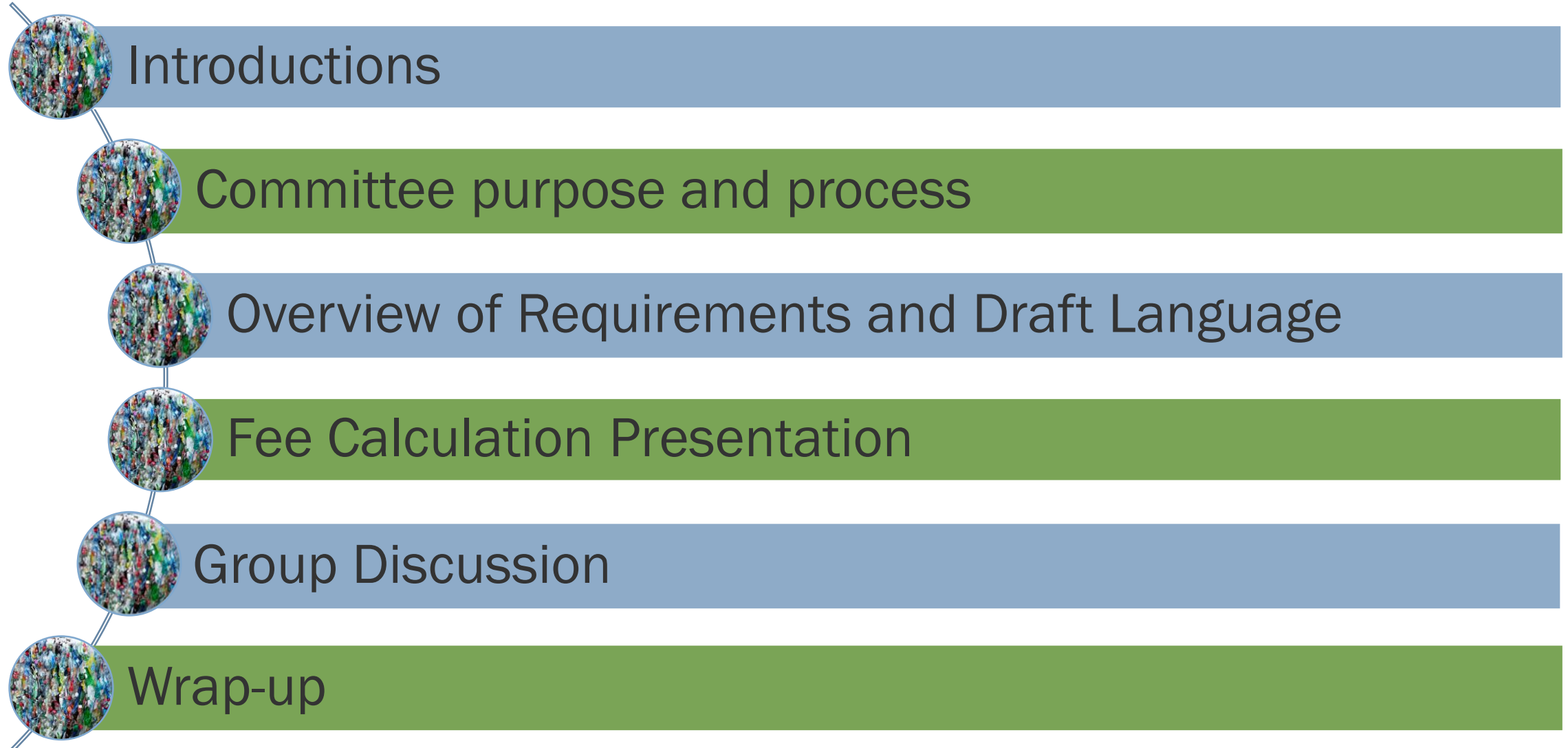
Draft Rule Part B, Registration, Reporting, and Fee Distribution

WAC 173-925, PCR Content Rule

June 9, 2022



Overview



Ecology PCR Implementation Team



Alli Kingfisher
Plastics Policy Specialist



Shannon Jones
Plastics Reduction and Rule Coordinator



Heather Curtis
Plastics Recycled Content Specialist



Christina Kullberg
Plastics Recycled Content Specialist

Washington PCR Rule Advisory Committee



Name	Organization
Brennan Georgianni	American Cleaning Institute
Christopher Finarelli	Household & Commercial Products Association (HCPA)
Chris Cary	Tree Top, Inc
Holly Chisa	Northwest Grocery Association
Megan Daum	American Beverage Association
Kyla Fisher	Ameripen
John Cook	Niagara Bottling
Emily Alexander	Darigold
Charles Knutson	Amazon
Carolyn Logue	Washington Food Industry Association
Heather Trim	Zero Waste WA
Lauren Shapiro	Personal Care Products Council
Mark Smith	Clorox/Glad
Kate Eagles	Association of Plastic Recyclers
Sally Jefferson	The Wine Institute



Purpose and Overview

- Ecology is seeking input as we draft rule language
- Everyone has equal opportunity to provide input
- Producers must currently register and pay fees using interim calculations
- Ecology will document and consider all feedback
- eComments are available now for the first draft

Part B Outline

- Registration and Reporting Requirements
- Fee Calculation and Distribution

Information required for registration

- Producer name
- Mailing address
- Website
- Tax ID
- Contact person/info
- List of covered product brand names
- List of subsidiary brands/collections/vendors owned by brand
- Calendar year for data
- Total lbs plastic within a single product category
- De minimis info (if relevant)
 - Proof that producer, including all owned subsidiary brands, meets de minimis threshold

Timeline for reporting requirements

- April 1, 2024 - plastic trash bags and non-dairy or wine plastic beverage containers
- April 1, 2026 - plastic household cleaner and personal care product containers
- April 1, 2029 - plastic dairy milk containers and 187 milliliter plastic wine containers

Information required in reports

- All original registration info
- Average PCR content weight by resin type by product category
- Total PCR resin as % of total weight
- If providing national or regional data:
 - Method for calculating/separating WA specific data
 - Explanation for why state-level data cannot be obtained

Confidentiality

- Reporting information is public
- Confidentiality considered on case by case basis
- Request must include:
 - Information certifying unique production processes or adverse competitive consequences of sharing PCR data

Equitable Distribution of Annual Fees



Lori Peterson
Ecology SWM Budget Analyst

Fee Calculation and Distribution

- Proposed rule language
- Current billing cycle workload analysis was posted in January.

Fee Calculation and Distribution

Statutory Authority and Requirements – RCW 70A.245.020

(3)(a) By January 31, 2022, and every January 31st thereafter, the department must:

- (i) **Prepare an annual workload analysis** for public comment **that identifies the annual costs** it expects to incur to implement, administer, and enforce this section and RCW 70A.245.030 through 70A.245.060 and 70A.245.090 (1), (2), and (4), including rule making, **in the next fiscal year for each category of covered products;**
- (ii) **Determine a total annual fee payment** by producers or their third-party representatives for each category of covered products that is **adequate to cover, but not exceed, the workload** identified in (a)(i) of this subsection;
- (iii) Until rules are adopted under (a)(iv) of this subsection, issue a general order to all entities falling within the definition of producer. The department must **equitably determine fee amounts for an individual** producer or third-party representatives **within each category of covered product;**

Fee Calculation and Distribution

Statutory Authority and Requirements – RCW 70A.245.020

(b) The department must:

(i) **Apply any remaining annual payment funds from the current year to the annual payment for the coming year, if the collected annual payment exceeds the department's costs for a given year; and**

(ii) **Increase annual payments for the coming year to cover the department's costs, if the collected annual payment was less than the department's costs for a given year.**

(c) By April 1, 2022, and every April 1st thereafter, producers or their third-party representative must submit a fee payment as determined by the department under (a) of this subsection.

Estimated Costs – Workload Analysis

Defining Costs

- Must be able to be estimated using known data
- Must be trackable to allow for future adjustments

Importance of Timekeeping accuracy and efficiency

Estimated Costs – Types of Work

Post-Consumer Recycled Content (PCR) Oversight

- Technical assistance for PCR content requirements and annual reports
- Reviewing and posting annual report data
- Facilitating compliance

General Program Administration

- Technical assistance for annual registration
- Development and posting of workload analysis
- Fee administration
- Registration database maintenance
- Rule updates as needed

Estimated Costs – Types of Work

(hypothetical example)

Workload for PCR Oversight				
Job Class	Work Performed	Full-Time Equivalents (FTE)	Hypothetical Agency Standard Cost per FTE	Estimated Cost
Environmental Specialist 3	Technical assistance, review and posting of annual report data, compliance monitoring, PCR content requirements enforcement	1.50	\$100,000	\$150,000
IT Application Developer – Journey	Annual reporting system development and maintenance	0.10	\$100,000	\$10,000
Assistant Attorney General	Legal guidance for PCR content requirements	0.15	\$100,000	\$15,000
Total Estimated FTE and Costs for PCR Content Requirements		1.75		\$175,000

Workload for General Program Administration				
Job Class	Work Performed	Full-Time Equivalents (FTE)	Hypothetical Agency Standard Cost per FTE	Estimated Cost
Environmental Specialist 3	Registration Technical assistance, enforcement of registration and fee requirements	0.50	\$100,000	\$50,000
IT Application Developer – Journey	Registration system maintenance	0.05	\$100,000	\$5,000
Environmental Planner 4	Rule updates	0.10	\$100,000	\$10,000
Assistant Attorney General	Legal guidance related to registration, fee, etc. (fee eligible costs in RCW 70A.245 not related to PCR Content requirements)	0.03	\$100,000	\$3,000
Budget Analyst 4	Workload Model Development	0.02	\$100,000	\$2,000
Total Estimated FTE and Costs for General Administration		0.70		\$70,000

Estimated Costs – Types of Work

(hypothetical example)

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Fee Calculation and Distribution

Ecology's estimated annual costs are \$175,000 for PCR Oversight, and \$70,000 for General Program Administration.

Next Steps

- Use compliance requirements by category and resin weights to distribute by category
- Use individual producer resin weights to distribute category costs to each producer as a fee

Estimated Costs – Distribution to Categories

(hypothetical example)

Producer Categories and Resin Weights Reported in Previous Year's Registration			PCR Oversight Costs		General Program Administration Costs		Total Costs
Producer Category (PCR Content Compliance Date)	Total Plastic Resin Weight, in Lbs	Plastic Resin Weights subject to PCR Content Requirements	Category % Plastic Resin Weight	Category Share of Costs	Category % Plastic Resin Weight	Category Share of Costs	Total Costs by Category
Trash Bags (Jan 1, 2023)	50,000	50,000	8%	\$13,462	5%	\$3,500	\$16,962
Beverage Containers (Jan 1, 2023)	600,000	600,000	92%	\$161,538	60%	\$42,000	\$203,538
Household and Personal Care (Jan 1, 2025)	350,000	-	0%	\$0	35%	\$24,500	\$24,500
Delayed Beverage Containers ¹ (Jan 1, 2028)	-	-	0%	\$0	0%	\$0	\$0
Totals	1,000,000	650,000	100%	\$175,000	100%	\$70,000	\$70,000

¹Dairy Containers and 187 mL plastic wine bottles are not required to register until April 1, 2024. This example is based on a hypothetical workload analysis for Fiscal Year 2024 costs (July 1, 2023 through June 30, 2024), for which the workload analysis would be published January 2023.

Equation 1a

Equation 1b

Equation 1c
(1a + 1b)

Estimated Costs – Distribution to Categories

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Equation 1a

Equation 1b

Equation 1c
(1a + 1b)

Fee Distribution – Trash Bags, \$16,962

(hypothetical example)

Producers	Lbs Resin	% Resin/Cost	Fee
Producer 1	2,500	5%	\$848
Producer 2	2,500	5%	\$848
Producer 3	5,000	10%	\$1,696
Producer 4	5,000	10%	\$1,696
Producer 5	10,000	20%	\$3,392
Producer 6	10,000	20%	\$3,392
Producer 7	5,000	10%	\$1,696
Producer 8	10,000	20%	\$3,392
Totals	50,000	100%	\$16,962

Discussion Questions

- Is any of the language unclear for explaining the requirements for producer registration and reporting?
- Is any of the language unclear to explain Ecology's fee calculation methods and requirements?
- Are there remaining questions that are not addressed in the language?
- Do you have suggested language that will make these requirements more clear?

Coming Up

- Ongoing input from advisory committee
- eComments for revised Part A
- eComments for Draft Part B
- Draft Part C sent for committee review July 14
- 3rd Committee Meeting 7/28, 9:00 – 12:00 PST

Homework

- eComments
- Share info with stakeholders and partners

Next Steps



Thank you!

Next advisory meeting: [July 28th, 9:00 – 12:00 \(PST\)](#)

Rulemaking Questions: Shannon.jones@ecy.wa.gov

PCR Content Questions: Recycledcontent@ecy.wa.gov

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