

# Please connect your audio and join.

## Join

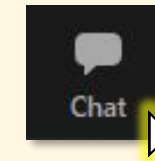
Connect Audio & Join



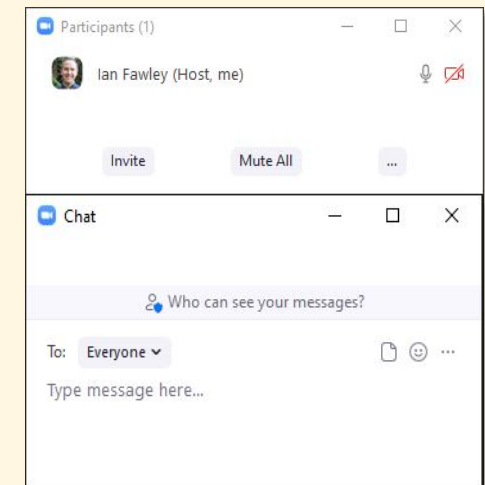
**Tip** Try your computer audio *first*.

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

## Participate



Question?  
Need help?  
Chat with us!



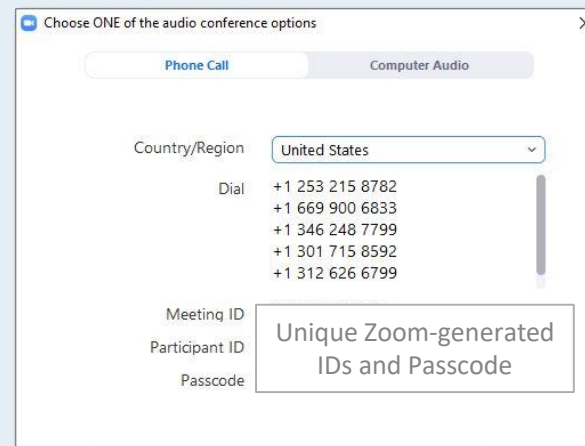
Turn on the Chat box and Participant list from your toolbar.

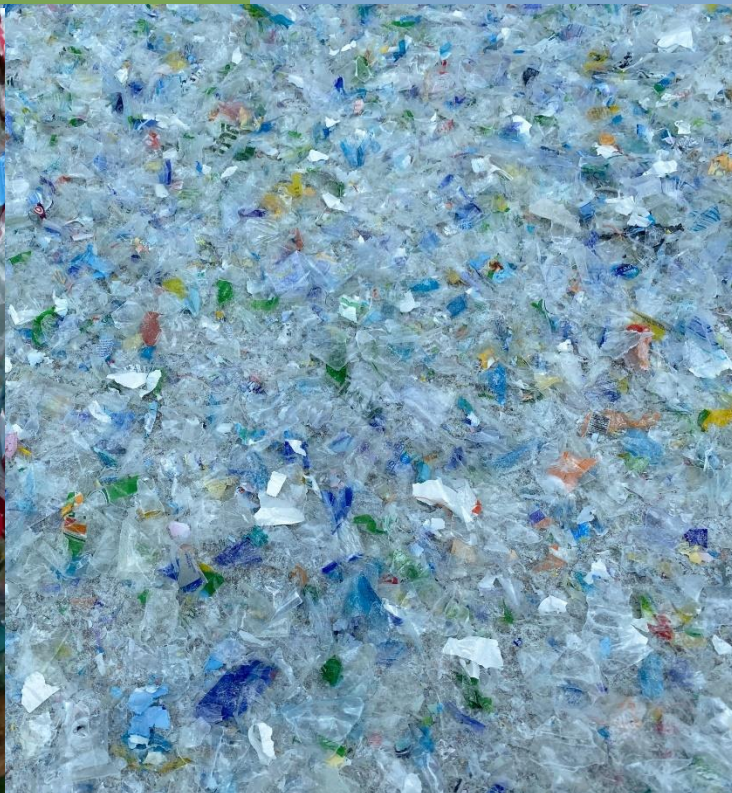
## Audio

**A** Best Option: Use computer for audio

**B** If selecting "Phone Call"...

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- Enter Zoom Meeting ID **836 9470 8430**, followed by "#"
- Enter your unique Zoom Participant ID, followed by "#"
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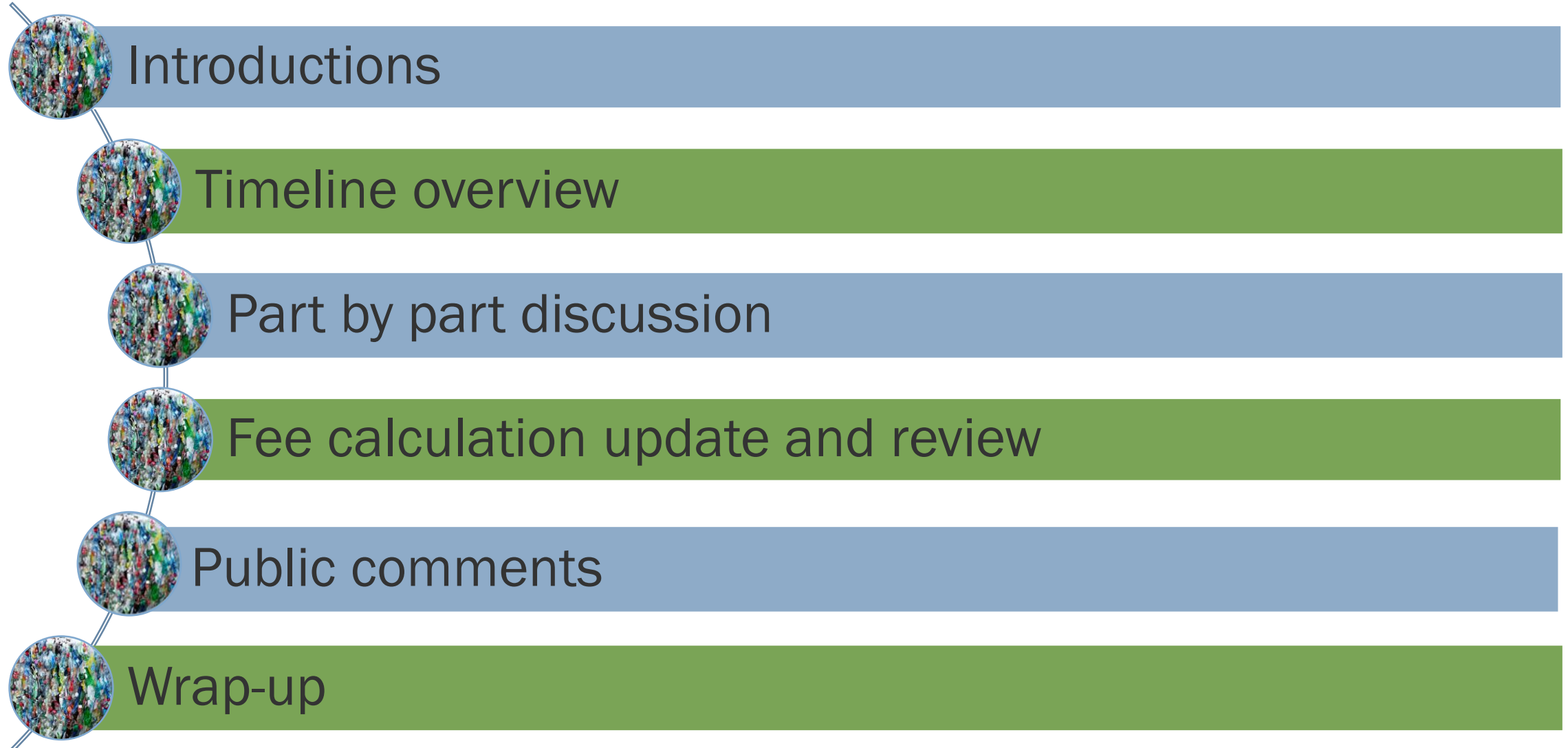
# Draft Rule Discussion

WAC 173-925, PCR Content Rule, Parts A-D

September 29, 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
Emily Alexander	Darigold
Chris Cary	Tree Top, Inc
Holly Chisa	Northwest Grocery Association
John Cook	Niagara Bottling
Megan Daum	American Beverage Association
Kate Eagles	Association of Plastic Recyclers
Kyla Fisher	Ameripen
Christopher Finarelli	Household & Commercial Products Association
Brennan Georgianni	American Cleaning Institute
Sally Jefferson	The Wine Institute
Charles Knutson	Amazon
Carolyn Logue	Washington Food Industry Association
Lauren Shapiro	Personal Care Products Council
Mark Smith	Clorox
Heather Trim	Zero Waste Washington

Benchmarks	Dates
Final comments due for draft language	11/1/2022
Draft rule economic analysis	1/2023 – 3/2023
Publish Proposed Rule Public comment and hearings	3/2023 4/2023 – 5/2023
Finalize rule	Summer 2023
Rule adoption	9/2023
Ecology annual review of PCR percentages	1/1/2024 (annually)
Phase 1 reports begin: Trash bags, beverage containers	4/1/2024 (annually)
Phase 2 reports begin: Household cleaning and personal care products	4/1/2026 (annually)
Phase 3 reports begin: Wine in 187ml containers and dairy	4/1/2029 (annually) <sub>6</sub>

# Discussion Questions

- Is any of the language unclear?
- Are there remaining questions that are not addressed in the language?
- Do you have suggested language that will make these requirements more clear?
- Are there technical or feasibility issues with the language as drafted?

# Part A – Recent revisions

- Shortened acronym: PCRC = postconsumer recycled content
- Syrups and concentrates
- Covered products vs PCRC products
  - Exclusions from covered products
  - Exclusions from PCRC products
- Virgin pre-consumer or industrial PCRC



# Definitions – Hot topics

- Producer definition
  - Brand
  - Entity
  - De minimis
- Household cleaning products
  - Household
- Personal care products
- Other definitions?

# Part B – Registration and Reporting

- How to document temporary exclusion from PCRC requirements
- Data verification/certification
- Fee changes to account for late producers

# Fee Calculation and Draft Rule Language

**WAC 173-925 Part B – Section 050 Producer annual fee calculation and payment.**

What we'll cover today

- Changes in this version of the rule language
- Illustration of the Fee Calculation
- Fee Adjustments

## Part B – Fees

- Key Changes since last draft:
  - “Other criteria for equitable distribution” removed
  - Fee handling for late registrations
  - Underlined the importance of accurate registration/reporting
  - Clarity on follow-up actions for delinquent payment, including use of a collection agency
  - Updates to equation variables, based on the updated terms to distinguish covered products and PCRC products.

# Fee Distribution

CY 2022 based on current registration data



## Equation 1(a), Program Administration Fee

Program Administration Fee = Ecology Program Administration Cost x  
[(Individual Producer Resins, Covered Products)/  
(Washington Resin Totals, Covered Products)]

Admin Fee = \$603,144 X [(One Producer's Total Resin Weight)/201,914,558 lbs  
total]

# Fee Distribution (CY 2022, current status)

Fee Range	Lower Limit of Unadjusted Fee	Upper Limit of Unadjusted Fee	# Producers
0	\$ -	\$ 15.00	2
1	\$ 16.00	\$ 50.00	8
2	\$ 51.00	\$ 100.00	12
3	\$ 101.00	\$ 200.00	7
4	\$ 201.00	\$ 500.00	20
5	\$ 501.00	\$ 1,000.00	8
6	\$ 1,001.00	\$ 2,000.00	12
7	\$ 2,001.00	\$ 5,000.00	17
8	\$ 5,001.00	\$ 10,000.00	5
9	\$ 10,001.00	\$ 15,000.00	2
10	\$ 15,001.00	\$ 25,000.00	8
11	\$ 25,001.00	\$ 50,000.00	3
12	\$ 50,001.00	\$ 100,000.00	3
13	\$ 100,001.00	\$ 200,000.00	0
14	\$ 200,001.00	\$ 300,000.00	0
15	\$ 300,001.00	\$ 400,000.00	0
<b>Totals</b>			<b>107</b>

# Estimated Costs – Types of Work

(Future hypothetical example)

Workload for Program Administration				
Job Class	Work Performed	Estimated Staff time (in Full-Time Equivalents (FTE))	Agency Standard Cost per FTE <sup>1</sup>	Estimated Cost
Environmental Specialist 3	Registration Technical assistance, enforcement of registration and fee	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	0.03	\$100,000	\$3,000
Budget Analyst 4	Workload Model Development	0.02	\$100,000	\$2,000
<b>Total Estimated FTE and Costs</b>		<b>0.70</b>		<b>\$70,000</b>

Workload for PCR Product Oversight				
Position Number	Work Performed	Estimated Staff time (in Full-Time Equivalents (FTE))	Agency Standard Cost per FTE <sup>1</sup>	Estimated Cost
Environmental Specialist 3	Technical assistance, review and posting of annual report data, compliance	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
<b>Total Estimated FTE and Costs</b>		<b>1.75</b>		<b>\$175,000</b>

<b>Total Ecology Estimated FTE and Costs</b>		<b>2.45</b>		<b>\$245,000</b>
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# Fee Distribution (CY 2023 hypothetical example)

ECY Program Admin Cost: **\$70,000**

ECY PCRC Oversight Cost: **\$175,000**

	Trash Bags	Bev Ctrs	HH & PC	Bev Ctrs with Delayed PCRC Requirements	Producer Totals, All Categories	Producer Totals, Reporting Categories	Equation 1(a) Program Administration Fee		Equation 1(b) PCRC Product Oversight Fee		Equation 1(c) Total Producer Fee
Producer Number	Pounds of Resin				Pounds of Resin		% of Grand Total, Covered Categories	Program Admin Fee	% of Grand Total, PCRC Product Categories	PCRC Oversight Fee	Program Admin Fee + PCRC Oversight Fee
Producer 1	5,000		5,000		10,000	5,000	1.19%	\$834.82	1.22%	\$2,136.75	<b>\$2,971.58</b>
Producer 2	2,500				2,500	2,500	0.30%	\$208.71	0.61%	\$1,068.38	<b>\$1,277.08</b>
Producer 3		12,000	90,000		102,000	12,000	12.16%	\$8,515.21	2.93%	\$5,128.21	<b>\$13,643.41</b>
Producer 4			30,000		30,000	-	3.58%	\$2,504.47	0.00%	\$0.00	<b>\$2,504.47</b>
Producer 5		100,000	12,000		112,000	100,000	13.36%	\$9,350.03	24.42%	\$42,735.04	<b>\$52,085.07</b>
<b>Totals</b>	<b>112,500</b>	<b>297,000</b>	<b>324,000</b>	<b>105,000</b>	<b>838,500</b>	<b>409,500</b>	<b>100%</b>	<b>\$70,000.00</b>	<b>100%</b>	<b>\$175,000.00</b>	<b>\$245,000.00</b>

Individual Producer Resins  
÷ WA Resin Total (Covered  
Categories)

Individual Producer Resins  
÷ WA Resin Total (PCRC Product  
Categories)



# Fee Adjustments

- Factors for which fees may be adjusted:
  - Difference between actual revenue and costs for the most recent prior closed fiscal year.
  - Late registration and reporting data.
  - Revised resin weight

# Part C: PCRC Calculation and Requirements

- Justifications for temporary adjustments
- Timeline for requesting PCRC adjustments
- Timeline for submitting documentation for excluded product packaging

# Part D - Enforcement

- Audits of information
- Process for non-compliance
- PCR content penalties
  - Calculation of penalty amount
  - Penalty deadlines
  - Adjustments to penalties
  - Corrective action plans

# Database functionality

Production



## Waste Reduction Portal

[Home](#) [Contact Us](#) [Logout](#)

[Producer Information](#)

[Producer Contacts](#)

[Plastic Trash Bags](#)

[Plastic Beverage Containers](#)

[Plastic Household Cleaning and Personal Care Products](#)

[Review & Submit](#)

### Add Producer

Producer Name (company name) i

Federal Tax ID (EIN) i

Back

Save and Continue



# Public Comments

## Coming Up

- Ongoing input from advisory committee
- SmartComments for Revised Draft Version 8
- Final comments due November 1, 2022
- Summary notes and PowerPoint slides from today's meeting

# Next Steps



# Thank you!

Rulemaking Questions: [shannon.jones@ecy.wa.gov](mailto:shannon.jones@ecy.wa.gov)

- [Version 8 SmartComment portal](#)
- [Join the PCR content e-mail subscriber list](#)
- [Ecology PCR Rulemaking Website](#)