

Recycling Obsolete Mini-Bulks

ACRC Role?

Impact of New EPA Rule

- An estimated 500K mini-bulks are servicing the bulk market today.
- 10% or 50K (estimate) may be made obsolete under the new rules.
- Over 100K (estimate) are currently out-of-service (behind barns and warehouses).
- Product in an obsolete container after 2011 could be an exposure issue.
- The industry may soon spend \$5M recycling and \$20M replacing obsolete containers.

Today's Recycling Programs

- If it's a "Branded" tank then the product's *registrant* probably has a program.
- If it's a "Generic" tank, such as the caged tank, then the *equipment manufacturer* may have a program.
- Some *local recycling* programs, e.g. IFCA.

Who pays today?

- Many registrants take responsibility for their branded tanks.
- Many equipment suppliers will assist (charge a small fee) in recycling to recover assets and use this goodwill to market new equipment.
- Dealers and growers will pay tipping fees. In the IFCA program \$15/tank.

Where do old mini-bulks go?

- Some plastic goes to ACRC approved facilities or incineration.
- For many, we don't know.
- Some may be offered for re-use outside the Ag market.

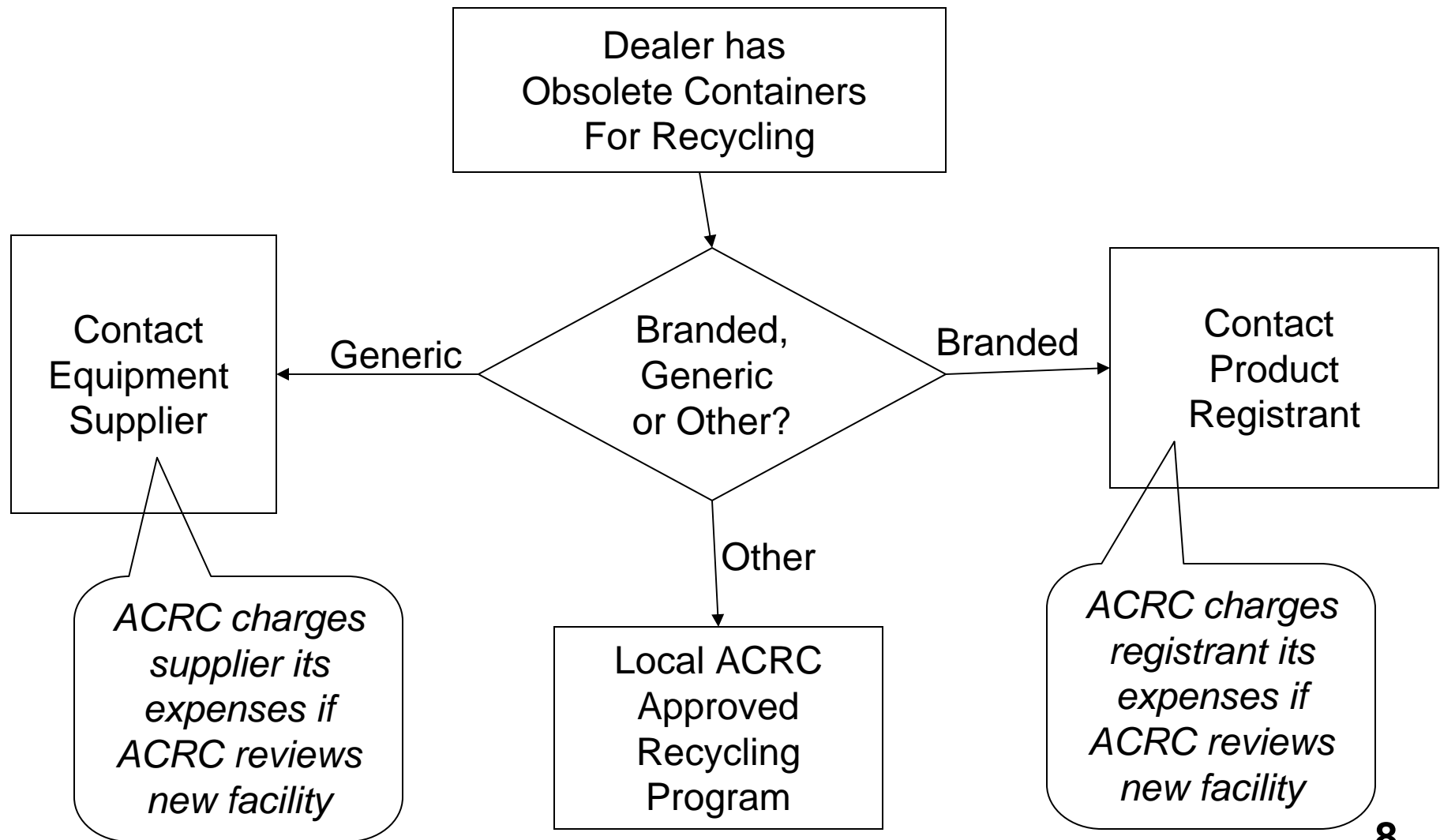
Why should ACRC get involved?

- Fastest, cheapest and best way to significantly reduce industry exposure from obsolete containers.
- ACRC is the recognized authority on safe and responsible pesticide package recycling.
- Many or most members of ACRC also sell bulk product.
- ACRC has generally accepted processes and contractors.
- ACRC is known and well connected with all stakeholders.

What would ACRC do?

- Expand existing approval processes for contractors and plastic recycling to include obsolete mini-bulks.
- Provide registrants and equipment manufacturers information on approved contractors and plastic recycling.
- Provide oversight and accounting for state and local recycling events.

Dealer/Distributor: Option #1 (plan A)



State Collection Program: Option #2 (plan B)

EXAMPLE: State Receives 200 containers. Collects \$15/cont. = \$3000

ACRC Contractor recycles 200 containers @ \$50/cont. = **(\$10,000)**
State pays contractor for orphaned containers = \$3000
Contractor needs **(\$7000)** to be whole

State and/or contractor provide ACRC a count by registrant:
BASF=20, Bayer=10, Syngeta=30, etc. (70% of cont.)

ACRC invoices registrant at \$50/cont. plus overhead
BASF=\$1000, Bayer=\$500, Syngeta=\$1500, etc. (70% of cost)

ACRC pays contractor \$7000
Contractor is whole

How would ACRC pay for this?

- Existing ACRC money would not be used.
- When ACRC is involved in mini-bulk recycling program, its overhead would be for the service provided.
- Registrants & Equipment Manufactures would continue to pay 100% of the cost of recycling their containers.
- The cost of orphaned containers would be covered by tipping fees.

How would this be implemented?

- ACRC would have to agree to change the bylaws (the issue will spike in 2011 but be forever part of the market).
- ACRC would have to communicate its intents to all stakeholders (CLA Stewardship would help).
- A registrant or equipment manufacturer seeking approval would have to agree to cover the incidental expenses.
- A few state or local programs would be piloted in spring 2010.

How would an ACRC / State Recycling Program Operate

- The state program would contact ACRC months before the program date was set.
- The state program would use some guidelines (Margaret Jones, EPA proposal).
- ACRC would provide information on available contractors.
- ACRC would provide guidance on counting tanks assigned to registrants. This would be used for invoicing and include ACRC overhead.
- States would collect tipping fees for all tanks and use these to cover the cost of orphaned tanks.

Future mini-bulk recycling

- If it is a “Branded” tank then contact the product’s *registrant*. Registrants will use an ACRC approved facility/contractor.
- If it is a “Generic” tank, such as the caged tank, then contact the equipment manufacturer that uses an ACRC approved facility/contractor.
- All other tanks, look for local recycling programs that work with ACRC.

Questions