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)

Dealer has Obsolete Containers For Recycling

- Branded, Generic or Other?
  - Branded: Contact Product Registrant
  - Generic: Contact Equipment Supplier
  - Other: Local ACRC Approved Recycling Program

ACRC charges supplier its expenses if ACRC reviews new facility

ACRC charges registrant its expenses if ACRC reviews new facility
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 Manufacturers 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