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Via Hand Delivery

September 8, 2006

Mr. Michael Harder, Hearing Officer  
Bureau of Materials Management & Compliance Assurance  
Connecticut Department of Environmental Protection  
79 Elm Street  
Hartford, Connecticut 06106

**Re: Comments on the July 2006 Proposed Amendment to the State Solid Waste Management Plan**

Dear Mr. Harder:

The Connecticut Resources Recovery Authority ("CRRA") appreciates the opportunity to provide comments on the Proposed Amendment to the State Solid Waste Management Plan dated July 2006 ("Plan").

CRRA appreciates the efforts the State of Connecticut Department of Environmental Protection ("DEP") has made to advance an update to the State Solid Waste Management Plan, and CRRA appreciates being included as part of the Solid Waste Management Plan External Stakeholders Group that has provided input to the Plan. CRRA feels there is much useful information in the Plan; however, we also feel there are sections of the plan that require revision, more emphasis, or more development, and our comments are primarily directed at these areas of the Plan.

Thank you for recognizing CRRA's central role in the State's garbage and recycling system, both in Chapter 1 and Chapter 5 of the Plan, a role which has included not only the development and operation of recycling facilities, transfer stations, resource recovery facilities, and landfills, all of which are operated for public benefit, but which has also included the development of the trash museum in Hartford and the garbage museum in Stratford, which promote source reduction and recycling through education of Connecticut citizens, in particular, Connecticut's children.

Although the Plan recognizes the contribution of CRRA in these two chapters, CRRA is disappointed that it and the other regional authorities are not recognized as key decision makers in the section to the Executive Summary entitled *Critical Issues for Decision*

*Makers*, on page E-11, and we request that our organizations be listed and recognized in this section.

There are four key policy areas that the Plan addresses: 1) solid waste capacity assurance, 2) public versus private control of the solid waste management infrastructure in the State, 3) diversion and beneficial use of solid wastes, and 4) funding. CRRA's comments are directed to these key areas.

## 1. Capacity Assurance

CRRA believes the Plan takes too neutral a stance with regard to the question of solid waste capacity assurance for waste generated in the State of Connecticut, and in particular, the question of in-State versus out-of-State capacity assurance. On the one hand, the Plan in several sections (e.g., page ES-8, 1-4) "*encourages such a policy of self-sufficiency...*" and states that "*CTDEP will use its authority to adhere to this policy...*" while in another section (page 4-42) the Plan states that: "*It is impossible to predict with certainty whether reasonably priced out-of-state options will remain available into the future. At the present time, despite the shortfall that exists, reliable and competitive options exist for disposal of all MSW generated in Connecticut.*"

Although DEP recognizes throughout the Plan that in-State capacity assurance is preferable to dependence on out-of-State options, the Plan does not include the next logical step and explicitly and unequivocally endorse the pursuit of installing additional landfill capacity and resource recovery facility capacity in Connecticut.

The Plan needs to provide a more critical analysis of the cost of, and access to, out-of-State disposal capacity in future years. The Plan does not adequately lay out a "contingency plan," that could be implemented in a timely manner, to increase in-State capacity assurance in the event that the out-of-State capacity, which the Plan indicates is currently available, becomes scarce or unavailable, or economically impractical.

The Plan needs to establish a goal for developing in-State capacity for MSW and C&D waste. As proposed, the Plan does not do so. Otherwise, Connecticut will be shipping 600,000 to 700,000 tons of MSW out of State each year, even with the projected 49 percent diversion rate - more if that rate is not achieved. For C&D waste, the capacity shortfall ranges from 800,000 to 1,200,000 tons per year depending on the diversion level achieved. Under this scenario, Connecticut generators will be beholden to the laws, regulations, and legislative bodies of other states, to unpredictable fuel and transportation costs, and generally, Connecticut will find itself with less control over its solid waste destiny.

Although the narrative in the Plan does indicate that DEP will “...*prioritize permit applications that address the current C&D waste/oversized MSW in-State disposal capacity needs*”, the associated Strategy 3-2 falls short in explicitly stating that new C&D capacity is needed and that DEP encourages and will support applications for new disposal capacity in Connecticut. Strategy 3-2, as currently drafted, simply recommends continued monitoring of the matter. As drafted, the strategy does not reflect the narrative in the Plan with regard to C&D waste. The Plan should explicitly state that it is appropriate that entities come forward with applications to install not only C&D landfill capacity, but also waste-to-energy capacity. **CRRA recommends that Strategy 3-2 be revised to explicitly state that there is a need for both in-State C&D and MSW disposal capacity, and that applications associated with such will be prioritized by DEP.** CRRA suggests that the Plan indicate that strong consideration should be given to adding capacity to existing resource recovery facilities versus siting greenfield facilities, provided that potential environmental justice issues are satisfactorily addressed.

Moreover, it is also important that the Plan explicitly recognize the shortfall of in-State waste capacity for MSW so that in the event an applicant advances a permit application to expand a resource recovery facility, the “Determination of Need” question, pursuant to CGS 22a-208d, is answered by the Plan. CRRA is concerned that recognition of a need for additional in-State MSW capacity is not explicit enough in the Proposed Plan, and that a debate may ensue as to whether additional in-State MSW capacity is needed in the event that an application for such is advanced.

CRRA would like to recommend that a technical correction be made to the Plan as it relates to in-State resource recovery facility capacity. Table 4-5 and Figure 4-2 use the maximum permitted design capacity of the six resource recovery facilities in the State. This equals a total capacity of 2,547,000 tons per year of available capacity. However, as shown on Table 4-2, the actual amount of MSW processed at the resource recovery facilities in-State is 2,200,000 tons. This represents a difference of approximately 350,000 tons, and while the information in the table and figure are correct, for sake of consistency and ease of understanding, the table and figure should be revised to reflect actual tons processed rather than processing design capacity. CRRA recommends that an additional line be added to Table 4-5 that shows actual MSW processed, and that Figure 4-2 show this same information.

## 2. Ownership and Control of Disposal Capacity

In the Executive Summary (page E-9), the third “*Major Recommendation*” highlighted by DEP addresses the issue of public versus private ownership and control of solid waste disposal capacity in Connecticut.

Five of the State's six waste-to-energy plants could be privately owned by 2015, and by the end of 2008, the only in-State ash residue landfill will be privately owned.

It is critically important that this potential shift in control is recognized. The Plan recognizes this, but should be revised to more strongly emphasize this matter. Control of the State's waste-to-energy capacity by the private sector when the current project contracts come to an end during the next decade will impact capacity assurance for Connecticut's solid waste generators. Private sector companies will be free to set tip fees as high as the market will allow, likely attracting waste from out of State. The Bridgeport facility is located only 60 miles from New York, and the Preston and Lisbon facilities are situated close to Rhode Island, and less than an hour's drive from central Massachusetts.

There are lessons we can learn from electric deregulation. Restructuring of the electric generation and delivery system was supposed to lead to a robust competitive marketplace in which new suppliers would come to Connecticut and keep power prices down. But that competition never materialized, power prices are now soaring, and some of the associated profits are flowing out of State. The way to prevent this from happening in the trash industry is to make sure the State has sufficient disposal capacity, owned and operated for the public benefit, dedicated to managing Connecticut's waste. Without that publicly controlled capacity, the private sector will be able to take trash from the highest bidder, whether the trash comes from New York, Massachusetts, Rhode Island, Connecticut, or elsewhere. We must ensure that Connecticut disposal capacity serves Connecticut.

Although the Plan recognizes CRRA's role, the Plan should be revised to more explicitly and clearly describe the benefits that such a quasi-public authority provides to the State, including a crucial and necessary economic balance to private sector control of the solid waste marketplace. At a minimum, the Plan should explicitly recommend to the legislature that it analyze this issue from a public policy standpoint and take a position on this important matter. CRRA requests that this recommendation be explicitly stated as a strategy, perhaps under Objective No. 3: Management of Solid Waste Requiring Disposal, or Objective No. 7, Permitting & Enforcement.

If the consensus is in favor of capacity controlled for the public interest, the legislature should then direct DEP, with legislation, to assign priority to permitting initiatives advanced by organizations that serve the public interest, such as CRRA, including permitting initiatives for:

- Bulky/C&D waste landfill controlled for public interest
- Ash-residue landfill capacity controlled for public interest
- Additional W-T-E capacity controlled for public interest
- Export capacity controlled for public interest

CRRA appreciates that the Plan highlights that the only in-State ash residue capacity after 2008 will be privately owned, and that the resultant in-State monopoly may not serve the public interest. In a state that has made such a significant commitment to waste-to-energy, and the attendant necessity of ash disposal, continuing with only one ash landfill in the State does not serve the public interest. The potential consequence of this scenario is higher tip fees for Connecticut waste generators.

CRRA recommends that the Plan take a clearer position with regard to the value and necessity of publicly controlled ash residue disposal capacity. CRRA is concerned that if it advances an application for an ash residue landfill to replace the Hartford Landfill, the Plan, as currently drafted, does not provide adequate support for this necessary public need.

### **3. Diversion and Beneficial Use**

The Plan sets a goal of a 49% diversion rate by calendar year 2024. This goal is laudable. It is also aggressive.

CRRA does not believe the private sector alone, unless economic incentives are extremely robust, will achieve the diversion rate goals proposed in the Plan. In fact, CRRA believes the incremental cost of moving from a 30 percent to a 49 percent diversion rate will be significantly greater than the cost of achieving the first 30 percent.

CRRA suggests that the responsibility for successfully achieving the additional 19 percent beyond today's diversion rate will have to be predominantly a public responsibility, and that municipalities along with CRRA and regional authorities will be integral to making this level of diversion occur in an efficient and dependable manner. This means that success depends on the availability of a recycling collection and processing infrastructure controlled for the public interest, and accordingly, depends in a large part on the capability of regional authorities such as CRRA.

The Plan as currently drafted does not adequately recognize this critical aspect of solid waste management in Connecticut. The Plan should be revised to explicitly recognize the importance of, and necessity for, recycling collection and processing infrastructure that is maintained for the public interest.

Here are several examples of these advantages:

- Accepting at no charge recyclables, including commingled containers, such as occurs in CRRA's Mid-Connecticut and Bridgeport projects, encourages a greater participation by municipalities.

- CRRA has the ability to aggregate recyclable waste streams, control large volumes, and obtain a better market price for delivering recycling feedstock to the processing market. CRRA has demonstrated this recently at its Mid-Connecticut recycling facility. The resultant increase in guaranteed recyclables' revenues flows back to the participating municipalities by lowering the MSW tip fees.
- The private sector has little if any incentive to encourage recycling across the board; the private sector will "cherry pick" those materials that have value in the commodities market, such as paper and cardboard, and ignore those materials that don't have such a value, such as commingled containers. Conversely, recycling facilities maintained for the public interest will not "cherry pick" the valuable recyclables and ignore those with less or no value, but will ensure that these materials are diverted.

Looking to the future and the 49 percent goal, increased diversion will require significant funding to implement. The Plan correctly recognizes this in the Executive Summary, which states on page ES-10: "*Without adequate funding, the goals of this plan will not be met.*" However, properly planned and implemented, costs can be controlled.

Increasing diversion while minimizing the necessary funding will require the following:

- A broad menu of mandatory recyclables;
- Larger storage containers for residential recyclables;
- Efficient collection equipment and services, implemented either by the public or under long-term competitively procured contracts;
- Large scale Materials Recycling Facilities that are efficient and economical, implemented under long-term service contracts, not short-term contracts;
- Significant revenue sharing back to municipalities to serve as an incentive; and
- Ongoing and strong public education and information programs and campaigns.

More responsibility and accountability over the collection and processing infrastructure by the municipalities will help assure that the required services are delivered with greater cost effectiveness so that costs to waste generators are minimized.

DEP will likely receive comments from cities and towns who are concerned that the Plan will produce what they refer to as "unfunded mandates." CRRA is sympathetic to concerns regarding unfunded mandates being forced on municipalities. In fact, establishment of unfunded mandates to achieve recycling goals will have little chance of success.

With regard to diversion metrics, and how Connecticut moves from a 30 percent to a 49 percent diversion rate, the Plan is incomplete. The Plan does not provide an adequate characterization of the recoverable components contained in Connecticut's 3.8 million tons per year MSW stream and its 1.0 million tons per year C&D waste stream. The Plan

needs to identify, by percent weight of the MSW waste stream, where the additional 19% of diversion can and should come from, and establish a recommended priority. In order to identify where the biggest gains are for the dollar invested, additional research needs to be undertaken to determine whether immediate focus should be on glass, plastic, paper, compostable organics, metal, C&D waste components, wood waste, or yard waste; and whether the emphasis should be on residential versus commercial sources; multi-unit urban or single family rural; improving rates of existing commodities or trying to introduce new commodities into existing programs; and/or single-stream collection systems.

Regarding beneficial use of waste materials: CRRRA strongly urges that the Plan discuss the value of electricity generated from the State's resource recovery facilities. In addition to reducing the volume of MSW requiring land disposal by approximately 90%, these facilities use discarded trash as a fuel to generate electricity, replacing the precious fossil fuels that would otherwise be burned to generate the electricity that these facilities provide. In Strategy 1-1, the Plan advocates for "*beneficially using waste materials instead of other fuels to generate power.*" In fact, approximately 2.2 million tons per year of MSW is combusted at the six resource recovery facilities in the State, collectively providing a capacity of approximately 165 megawatts of electricity, or about 2% of the State's generating capacity. On an annual basis, these facilities provide the electric needs of approximately 150,000 households.

If this waste were hauled out of State, in addition to losing the above energy benefit for in-State power generation, we would add to the demand of purchasing diesel fuel. For example, in hauling 250,000 tons of waste per year to a remote landfill in central Pennsylvania via transfer truck, it would add an annual demand of over 21,600 barrels of diesel fuel. However, this demand would be even larger when considering the yield of diesel fuel per barrel of crude oil is approximately 22%. Therefore, almost 100,000 barrels of crude oil would have to be produced or purchased for the refined diesel requirement.

Trash is a renewable fuel resource that is indigenous to the State and is not subject to supply disruptions or price fluctuations often associated with fossil fuels such as oil and natural gas. International market speculators cannot drive up the price of trash as so often occurs when there is a perceived production problem or political disruption in other parts of the world. Connecticut's six waste-to-energy facilities are located in different regions of the State – from Lisbon and Preston in the east, to Bridgeport in the southwest, to Bristol, Wallingford and Hartford in the central part of the State – thereby providing geographic diversity of generation, possibly helping to reduce congestion costs.

Although waste-to-energy is currently designated as Class 2 renewable energy under Connecticut Renewable Energy Portfolio Standards, there is no market for this class of green power. The Plan should much more clearly and strongly emphasize that waste-to-

energy plants beneficially use solid waste (they are *resource recovery* facilities), and the Plan should strongly urge the legislature and the DPUC to consider reclassifying the power produced at these facilities from its current designation as a Class 2 renewable energy to a Class 1 renewable energy, for which a market does exist, or, alternatively, creating a market for Class 2 renewable energy similar to what has been created for Class 1 under Connecticut's Renewable Energy Portfolio Standards. Doing so would properly recognize *resource recovery* facilities for the "green power" that they provide. The Plan as proposed is silent on this matter, and it should not be.

The Plan should direct CRRA to undertake a feasibility study for composting commercially generated food waste, and should direct that funds for this feasibility study be allocated from the Solid Waste Assessment for this study. As currently Proposed, the Plan appears incomplete on page 4-105 with regard to funding such an initiative.

#### 4. Funding

The Executive Summary, on page ES-10, states the following: "*Without adequate funding, the goals of this plan will not be met.*"

A funding mechanism needs to be structured to ensure that funds flow directly to the local and regional levels to provide support for diversion initiatives. The Plan should clearly advocate for the dedication of these funds to help municipalities with their trash and recycling needs. Unfunded mandates to achieve recycling goals will have little chance of success.

CRRA believes that it can effectively play a role to support diversion, and that it, too, should be a recipient of certain funds from the Solid Waste Fee or other funding sources, to support such activities as:

- Household hazardous waste collections
- Residential electronics recycling services
- Recycling education
- Anti-Litter education

Education is considered one of the cornerstones of the Plan. The State cannot count on the private sector to provide source reduction and recycling education.

The section entitled Recycling/Composting Outreach Programs on page 4-21 and 4-22 list the outreach programs that have been implemented since 1991, and the status of these programs today. It is noteworthy that, of all the past initiatives that have been undertaken with regard to education of recycling and composting outreach programs, CRRA and



SCRRRA's garbage museums and education center are the only significant education outreach programs active in the state today.

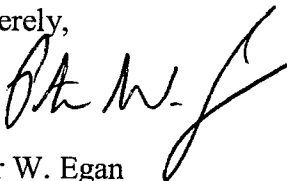
CRRA's role should be to serve as one of the conduits through which state funding is used to develop improved alternate resource recovery and recycling technologies. For example, and as stated earlier in CRRA's comments, the Plan should direct CRRA to undertake a feasibility study for composting commercially generated food waste, and provide funds from the Solid Waste Assessment or other funding source for this study. Again, the last bullet on page 4-105 of the Plan appears incomplete with regard to this matter.

CRRA and others that process bottles and cans in Connecticut should be the recipients of funds generated from state mandated deposit legislation intended to recapture bottle deposit escheats. CRRA and others are recycling these items today (those that are not returned to redemption centers), and we should receive the associated escheat money.

## 5. Summary

CRRA looks forward to continuing its partnership with DEP, the other regional solid waste authorities, municipalities, the private sector, and other stakeholders, in order to address the source reduction, recycling and other solid waste management challenges facing Connecticut.

Sincerely,



Peter W. Egan  
Director of Environmental Affairs & Development  
Connecticut Resources Recovery Authority

C: Members of the External Stakeholders Working Committee  
Tom Kirk, CRRA  
File: CRRA Chrono